

P376 WORKGROUP 4

Summary

ELEXON explained that its analysis on applying baselining methodologies to GB data was ongoing, as it had struggled to obtain data that it could legally use for this purpose (ELEXON holds some limited data but the data has not been granted to be used for this purpose). ELEXON agreed to draft a Request for Information to be reviewed by Workgroup Members to obtain the required data. The Workgroup noted that in submitting data, participants would need to identify where the site was exhibiting atypical behaviour so that these could be discounted from the baselining algorithm. There was discussion on whether Triads should be discounted, as how Parties would react to warnings is based on commercial decisions. The general consensus was that Triad days were not typical days and leaving these days in would skew the data. The Workgroup agreed that the request should ask respondents to identify Triad days.

The Workgroup questioned why a Party would need to provide an end date for a baselining solution, believing that it would be ongoing until instructed otherwise, and referenced the different baselining status that a site could have. ELEXON commented that the end date was a standard registration field and that it could be set to NULL. The Workgroup noted that some things were done at site granularity, while others were BMU level and thought this could be made clearer. The Workgroup discussed timescales, questioning whether the existing Gate Closure deadline should remain. There were differing views, but the Workgroup concluded that Dispatch FPNs would need to remain unchanged, and that the use of a baseline FPN for Settlement would need to be defined before any dispatch instructions were issued (to deter any gaming), and so could in theory be instructed after Gate Closure. As detailed in Business Requirement 1, MSID's within a BMU can be split into sites whose FPN is derived via a Baseline solution, and sites whose FPN is submitted by the Party. It was argued that the submitted FPN should operate under the same timescales as the PN submitted to NGEN for dispatch. The Settlement FPN, calculated by the baseline, could then be calculated post event. The working assumption should be that the desire to calculate a Settlement FPN using a baselining methodology should be Gate Closure. However, the Workgroup commented that this could be asked in the Assessment Consultation.

The Workgroup noted that where a new site was registered in a BMU, there would be a waiting period to obtain sufficient data for use by the baseline methodology, but where a site transferred to a different BMU, it believed that data would already be available. ELEXON agreed to clarify what permissions would be needed for data to be used, and what data VLPs would have access to. A Member also commented that it would be useful for Parties to have visibility of the calculated baseline at site level as this would allow anomalies to be identified, but did not think this was a major issue as any anomalous data would be removed from any calculations after a few weeks.

The Workgroup questioned whether a site would automatically start being baselined once sufficient data was available, preferring for explicit Party input for a site to move between status. It wondered whether it would be possible for a Party to submit its own historic data to allow baselining to commence sooner. ELEXON agreed to consider how this may work in practice. The Workgroup concluded that there were essentially three status for sites: baselined FPN, Party submitted FPN and Dormant, and commented that the Business Requirements should include details of how sites would move between these. There was discussion on whether the status could be changed intraday or not. ELEXON highlighted that sites allocated to a Supplier's ABMU would not be eligible for dormancy status, as these would be used for Imbalance volumes.

The concept of dormancy will stop an FPN being calculated for that site, and stop metered volumes for that site feeding into actual volumes whilst the site was dormant. Parties wanted the concept of dormancy to cover the period whilst a baselined FPN could not be created or for periods where the site may not be used for balancing services by the VLP. Without dormancy an FPN value would not be created for that site, but metered volumes would still be calculated which would automatically lead to a mismatch between the settlement FPN and metered volumes, leading to non delivery charges. When submitting a PN under the status quo the Party could take this into account. Parties registering ABMUs are Balancing Responsible Parties and potentially Balancing Service Providers. Therefore a site within an ABMU cannot be made dormant as the BRP is responsible for imbalance regardless of whether or not Balancing services are being provided. As such metered volumes will always be required.

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The Workgroup suggested consulting on which criteria should be applicable to both ABMUs and SBMUs. The Workgroup commented that it may be possible to just discount sites that would not provide balancing services rather than introducing the concept of dormancy, but the Proposer believed that dormancy would make the solution cleaner and enhance visibility for participants. They commented that for dormant sites, a baseline FPN should continue to be calculated, just not contribute to the Settlement FPN.

The Workgroup discussed how 'event days' could be identified. It noted that ELEXON may not have site level granularity, as it would be informed of dispatch at BMU level. As such all sites in the BMU would be flagged as 'event day' regardless of whether or not they actually provided any service. In future ELEXON may receive data to sufficient granularity to allow SVAA to calculate event days to be calculated per site. ELEXON agreed to investigate this further. One option was to leave it to the Party to inform ELEXON of any abnormal behaviour at the site, which could include dispatch instructions, or just days when the site was not operating 'typically'. A member suggested that when a Party nominated 'event days' for reasons other than dispatch, it should provide rationale.

The Proposer noted that many markets operated with just one available baseline methodology, however did not want to preclude sites that would be better suited to another methodology. The Workgroup agreed the solution should allow for multiple methodologies. They noted that markets with multiple methodologies often had a default that should be used where it passed accuracy tests. The Workgroup considered whether it wanted to be this prescriptive. The Workgroup noted that typically accuracy tests were done using Root Mean Squared analysis. The Workgroup considered what governance arrangements should accompany the baselines. It agreed that rather than setting up a new committee, consultations could be used to ensure robust procedure. It concluded that the detail of baseline methodologies should sit in a subsidiary document. To ensure ongoing robustness of methodologies, the Workgroup concluded that ELEXON could undertake an annual review of methodologies, which the proposer referencing the annual review by PJM. It considered that initially responsibility should sit with the Panel while the new process beds in.

Actions

No.	Actions	Owner
1	Draft an RFI for Workgroup members to review before being issued to industry	ELEXON/Workgroup Members
2	Clarify what permissions will be needed for a site transferring between BMUs to use historic data for baselining and if historic data can be submitted if Settlement does not already hold any.	ELEXON
3	Update the draft Business Requirements based on Workgroup comments	ELEXON
4	Investigate whether it is possible to use existing interfaces to allow Parties to submit data for baselining.	ELEXON

Consultation Questions

1. What is the most appropriate point for the use of a baseline methodology to be notified to ELEXON, taking into consideration flexibility and deterring gaming?
2. What type of event should discount metered data from being used in the baseline methodology?
3. Are there any requirements of the P376 solution that it will not be possible for Suppliers with ABMUs to use?
4. Should 'event days' automatically be generated by ELEXON's systems when a BMU was instructed to provide a balancing service, or should responsibility lie with the responsible Party?