P376 WORKGROUP 5 SUMMARY

SUMMARY

The Workgroup walked through the draft Business Requirements. The Workgroup noted that while P376 'Utilising a Baselining Methodology to set Physical Notifications' focused on the Settlement processes, it should be mindful of interactions with National Electricity Transmission System Operator (NETSO) systems. ELEXON advised that the P376 solution would not affect the data used by NGESO as part of dispatch, but commented that NGESO usually had a representative at meetings. It noted that changes to the Grid Code were outside the scope of the Modification, but that the principles established under P376 could be extended in the future. The Workgroup came to the conclusion that by allowing expected volumes in Settlement to not be calculated using the FPN will actually allow more accurate FPNs to be submitted to NGESO, as the need to set FPN relating to the meters within the BMU as opposed to the Assets in itself creates inaccuracy.

A Workgroup member also questioned interactions with Modification P379 'Multiple Suppliers through Meter Splitting'. The P379 solution allows for the use of asset level metering or pro-portionment. The Proposer did not believe that there were any direct links between P376 and P379, as P376 looks at how baselines for deviation are created rather than how metered volumes are allocated. However, all members agreed that the solutions should be developed in a way that would not prevent future changes to build on solutions. ELEXON agreed to engage with both the P379 development team and P379 Workgroup to ensure this is the case.

The Workgroup discussed what was meant by decoupling the Final Physical Notification (FPN) used in dispatch from the FPN used in Settlement, with one member expressing concern as the FPN should be as accurate as possible. They believed that the reference to replacing the FPN used in Settlement was incorrect as the solution looked at creating a value to represent what activity would be expected at the Boundary Meter rather than a Physical Notification, which was defined under the Grid Code. The Workgroup agreed that the pre-Gate Closure requirements would remain unchanged, but that the value used in the Settlement processes would differ and could be calculated post event. The Workgroup commented that the use of terms such as 'Baselined FPN' could potentially be misleading and suggested that ELEXON review the terminology to make clear that the P376 solution did not look at amending the FPN, but rather replace the FPN within Settlement with Expected Volumes calculated.

The Workgroup questioned why the registration of baselined Balancing Mechanism (BM) Units and baselined Metering System Identifier (MSID) Pairs were both manual processes. It believed that the solution could be simplified by only requiring the registration of baselined MSID Pairs, with the associated BM Unit being automatically assigned this status. There would also need to be a deregistration process for removing MSID Pairs (and associated BM Units) from the baselining solution. The Workgroup did not believe that the change of VLP process differed from the P344 solution, and so would not need to be prescribed in the P376 Business Requirements.

The Workgroup noted that where an asset was dispatched twice in the same day, ELEXON would need Settlement Period level data to ensure that this would be accurately identified. Multiple dispatches would also affect how day of adjustments would be calculated, but as the Settlement processes would be done post event, this would be known at the time of calculating.

The Workgroup commented that the Business Requirements should note that the P376 solution seeks to define a method for forecasting the expected volumes at the relevant Meter. As noted earlier, the P376 will have the consequential effect of enabling Parties to submit an FPN relating to the assets being used to deliver balancing services rather than relating to the Meters within the BMU. This is because the existing situation provides a financial incentive to submit and FPN relating to Settlement data to reduce the risk of imbalance. If Boundary Meters are within the BMU then the FPN should relate to expected volumes over those meters before P376. The Workgroup also noted that as VLPs weren't parties to the Grid Code, the BSC would need to provide sufficient rigour to ensure any dynamic data submitted was to the same standard as Suppliers. It also requested further details on how default data would be managed.

The Workgroup expressed different views on the proposals for allowing MSID Pairs in an SBMU to be set as dormant. Rationale for including this requirement included where it was known in advance that a site would not be

exhibiting typical behaviour such as a site shutdown. A member was cautious, as they believed this amounted to returning responsibility of the site to the Supplier who would then be open to any imbalance caused. Other members responded to this that where a site was set as 'dormant' it would not be dispatched, and so there would be no additional risk to the Supplier. The Workgroup proposed that the concept could be reworked to ensure that no additional risk was put on the Supplier. The proposal was to require parties to notify ELEXON of sites it would use to fulfil balancing obligations no later than day ahead. This would allow sites to be 'inactive' where they would not be used to provide balancing services. The three status introduced by P376 would be 'Baselined' 'residual' (for sites providing balancing services, but not using the baseline solution) and 'inactive.

The Workgroup considered how event days would be notified to ELEXON and questioned whether the proposal for parties to self-declare would open up gaming opportunities (by excluding undesirable data from baseline calculations). ELEXON did not believe that this would make gaming any easier than under the existing processes, but agreed that a consultation question could be used to further investigate the issue.

ELEXON asked the workgroup whether any accuracy checks should be undertaken before a site is allowed to use a baseline solution. The Workgroup did not necessarily think prior test should be required as this could lead to significant waiting times, but believed that ongoing monitoring could be used to assess suitability. This would also be clarified in a consultation question. For example some Workgroup members suggested that baselines should be accurate within 20%-10% of actuals.

The Workgroup briefly considered ELEXONs analysis, it noted that when compared to small values the Mean Absolute Percentage Error can produce volatile results. As such it suggested using a stable comparison such as the Peak load or average load. A member suggested that under the ongoing monitoring and analysis, a threshold could be set and site that falls outside of this would be set to inactive.