
P451 Workgroup Meeting 1 Summary

Summary

1. Meeting Objectives

The Chair welcomed attendees and presented the meeting objectives:

- Consider the background of P451
- Consider the P451 Terms of Reference (ToR)
- Obtain Workgroup views on 'who should be eligible to claim for BSC Black Start compensation?'
- Consider and agree next steps

2. Background and overview of P451

- 2.1 The Proposer explained that P451 is being driven by Grid Code Modification [GC0156 'Facilitating the implementation of the Electricity System Restoration Standard'](#) and the need for the National Grid Electricity System Operator (NGESO) to meet its Transmission Licence obligation to satisfy the new [Electricity System Restoration Standard \(ESRS\)](#) by 31 December 2026.
- 2.2 GC0156 facilitates the implementation of NGESO's new approach to Black Start termed Electricity System Restoration (ESR). The Proposer explained that GC0156, in part, enables some distributed energy resources (DERs) and other new technologies to participate in ESR as Restoration Contractors.
- 2.3 Not all Restoration Contractors will be BSC Parties. Currently only BSC Parties can claim for BSC Black Start compensation. The GC0156 Market and Funding Mechanism Subgroup recommended that P451 be raised to allow non-BSC Parties who are Restoration Contractors to claim BSC Black Start compensation. P451 will also update all references to Black Start in the BSC to System Restoration.

3. Existing Black Start arrangements

- 3.1 Elexon provided an overview of existing BSC Black Start arrangements covered in BSC [Section G: Contingencies](#) and [BSCP201: Black Start and Fuel Security Contingency Provisions and Claims Processes](#).
- 3.2 Section G uses the key concepts of a Black Start Period (during which the BSC's Black Start contingency provisions apply, but normal BSC market operations are not necessarily suspended) and a Market Suspension Period (during which normal BSC market operations are suspended).
- 3.3 Elexon explained that a Market Suspension Period will only exist if, at any time during the Partial Shutdown, the Market Suspension Threshold specified in Section G is met. The Workgroup questioned whether each of the thresholds in G3.1.5 need to be met. The current legal drafting uses 'or' which implies that only one of the thresholds need to be met. Elexon agreed to ask its legal team to clarify this.
- 3.4 The Workgroup also discussed whether it is Elexon or NGESO that is responsible for initiating a Market Suspension Period in line with the process flow diagram presented on slide 18. It was agreed that existing process flows could be amended as part of the P451 solution. This will be discussed in more detail at Workgroup 2.

4. P451 Terms of Reference

- 4.1 Elexon provided an overview of the specific P451 ToR.

5. Who should be eligible to claim for BSC Black Start/System Restoration compensation?

- 5.1 Elexon provided an overview of the role of Generators in the BSC, noting that the Grid Code currently states that a Generator who receives an emergency instruction during a Black Start is eligible to claim compensation under BSC Section G (BC2.9.2.6).

- 5.2 A distinction was made between Licensable and Exemptable generators. For example, licensable generators are required (by Standard Licence Condition 9.1) to become a BSC Party, and also (by BSC Section K) to register their own Metering Systems and BM Units. Exemptable generators do not have to become BSC Parties.
- 5.3 A Workgroup member asked whether non-contracted BSC Parties who receive an ESR instruction will be eligible to claim for BSC System Restoration compensation. The Proposer explained that non-contracted BSC Parties who receive a relevant instruction can currently claim under the BSC and this will not change. P451 seeks to enable contracted non-BSC Parties to be eligible to claim but this will not be extended to non-contracted non-BSC Parties.
- 5.4 A Workgroup member asked whether there could be a situation where a Restoration Contractor would not be a Generator. The Workgroup could not envisage this being the case.
- 5.5 Elexon asked the Workgroup for their views on ToR (a) 'Should non-BSC Parties who are Restoration Contractors be eligible to claim for BSC Black Start compensation?' The Workgroup agrees with ToR (a) in principle and will revisit this once the practical elements of the solution have been considered.

6. Next Steps

- 6.1 Elexon sought Workgroup members' availability for the second P451 Workgroup. It was agreed that the second P451 Workgroup Meeting will be held on Wednesday 14 June 2023, 10am – 3pm.

Actions

| No. | Workgroup raised | Action | Owner | Due by | Status |
|-----|------------------|--|--------|--------|--------|
| 1. | WG1 | Ask Elexon's legal department to review BSC Section G 3.1.5 | Elexon | WG2 | Open |
| 2. | WG1 | To find out how long it takes Elexon's Funds Administration Agent (FAA) system to do a check on a payee. | Elexon | WG2 | Open |