

EB GL Article 18 - Response Proforma

National Grid invites responses to this consultation by **4th June 2018**. The responses to the specific consultation questions (below) or any other aspect of this consultation can be provided by completing the following form.

Please complete this form with reference to the letter titled: “**Terms and Conditions related to Balancing**”.

Please return the completed form to europencodes.electricity@nationalgrid.com

Respondent:	Steve Wilkin
Company Name:	ELEXON Ltd.
Does this response contain confidential information? If yes, please specify.	No – this response may be made public in its entirety.

No	Question	Response (Y/N)	Rationale
1	Do you agree with the approach taken in the letter? please provide rationale	Yes	We agree that terms and conditions for balancing service providers and balancing responsible parties (the subjects of Electricity Balancing Guideline (EB GL) Article 18) already exist in Great Britain and are comprised within the current suite of electricity codes, methodologies, etc. So it makes sense to use these as the starting basis for assessing GB compliance with Article 18. We therefore support the approach taken in the letter.
2	Do you agree that the letter is consistent with the principle of minimum necessary change? please provide rationale	Yes	Where the current suite of electricity codes, etc. need amending to ensure compliance with European Network Codes, modifications to such codes, etc. would be consistent with a minimum necessary change approach.

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3	Do you have any other comments in relation to the letter?	Yes	<p><u>Future changes in the terms and conditions</u></p> <p>We strongly support NGET's proposal that the Article 18 Terms and Conditions for Great Britain (GB) continue to be held in the existing GB frameworks of BSC, Grid Code, etc.</p> <p>An important point is that the Article 18 terms and conditions should be able to flex as their constituent parts change under their existing change processes. So we strongly support that the Article 18 terms and conditions automatically include any updates required from time to time for European Network Code compliance and organic changes (whether industry-led or otherwise, so we would extend NGET's point in the letter here).</p> <p>The reason for such flexibility being inherent to the Article 18 terms and conditions is that the EB GL change process for the Article 18 terms and conditions is more cumbersome than, for example, the existing BSC change process.</p> <p>If an approved BSC Modification (or change to other constituent part of the Article 18 terms and conditions) did not have the effect of automatically modifying the Article 18 terms and conditions as well, then a delay may result, for example, to Urgent Code Modifications. Indeed any change to a constituent part might otherwise require a full Article 18 change process in parallel.</p> <p><u>Article 18 mapping to the BSC</u></p> <p>We have some comments on the mapping to the BSC set out in Annex 1. These are set out in the table rows below.</p>
	Article 18 reference 18.4.b and 18.5c		BSC reference BSC Modification P344 (and in relation to the Grid Code, GC0097) should be mentioned as, if approved, these will deliver requirements associated with EB GL 18.4b and 18.5c such as aggregation.
	18.4.d		This should also reference the BSC section T4. (Under the EB GL, the definition of 'balancing services' includes any form of balancing energy and so includes bid-offers in the GB Balancing Mechanism. In consequence imbalance adjustments will also include bid-offer acceptance volumes calculated in accordance with the BSC.)

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	18.5.a		The reference should be amended to BSC J3 and K.
	18.5e		Suggest the BSC reference is broadened to T4, rather than limiting it to T4.6 as, for example, T4.3 is also relevant here.
	18.5g		As we have no European standard products in GB yet, this aspect will presumably be reflected in the national framework via the implementation of future changes such as BSC Modification P344 and Grid Code Modification GC0097 (for TERRE standard products) and similar (yet to be raised) Modifications for MARI standard products.
	18.5h		The BSC reference should be T3 rather than T4.6 (because T3 covers the calculation of Bid Offer Volumes and associated payments).
	18.5i		The scope of 18.5i is wide as it includes the whole of EB GL Chapter 2 of Title V i.e. the settlement of balancing energy. Because of this we suggest that the BSC reference should also include BSC section T (in addition to section U).
	18.5k		18.5k should reference BSC section H3 (in addition to those sections already listed).
	18.6b		18.6b should reference BSC sections A and J (in addition to section K).
	18.6c		18.6c should reference BSC sections N and T (in addition to section K). We would also note that in GB 'settled with the connecting TSO' should be interpreted as 'settled with BSCCo/ BSC Clearer' because of the assignment to BSCCo/BSC Clearer by BEIS in its letter dated 18 December 2017 and the requirement of EB GL Article 13(5) to read TSO references in the EB GL as referring to the assigned entity.
	18.6d		18.6d should reference BSC section Q (as well as O). We would also note that in GB 'delivered to the connecting TSO' should <u>also</u> be interpreted as 'delivered to BSCCo/ BSC Clearer' because of the assignment of the calculation of imbalances to BSCCo/BSC Clearer by BEIS in its letter dated 18 December 2017 and the requirement of EB GL Article 13(5) to read TSO references in the EB GL as referring to the assigned entity.

No	Question	Response (Y/N)	Rationale
	18.6f		18.6f should reference BSC section T4 (as well as section U).
	18.6i		18.6i should reference BSC section H3 (in addition to those already listed).
	18.6j		We would also note that in GB 'submit to the connecting TSO' should be interpreted as 'submit to BSCCo/ BSC Clearer' because of the assignment of the calculation of imbalances to BSCCo/BSC Clearer by BEIS in its letter dated 18 December 2017 and the requirement of EB GL Article 13(5) to read TSO references in the EB GL as referring to the assigned entity. This is because 'position' is the equivalent of 'energy contract volume' in GB parlance and is a component of the imbalance calculation.
	18.6k		18.6k should reference BSC section T4 (as well as section U).