

Transmission Operational Forum Update

February 2013

Electricity Operational Forum 10:30am, Wednesday 20th February 2013

Welcome

Alan Smart

Operational & System Operator Costs Update

Jo Faulkner

Inertia & Downward Regulation / Frequency Control Issues

Graham Stein & Iain McIntosh

EU Balancing Code

Graham Hathaway

Balancing Services Incentive Scheme (BSIS) Workshop

Katharine Clench

Invitation to Industry Workshop – ‘Balancing Services Incentive Scheme: determining a cost target’

National Grid invites you to attend a Balancing Services Incentive Scheme (BSIS) modelling methodology workshop at the Ardencote Manor Hotel, nr Warwick, on Wednesday 20 February 2013 (details below). This session will follow the Full Operational Forum which is scheduled for the morning of the same day.

The workshop will provide a detailed explanation of the enhanced BSIS modelling methodology including the energy and constraints components. The main aim of the

workshop is to aid understanding and increase transparency of the electricity incentive scheme modelling methodology. An invitation to this workshop along with joining instructions can be found on our website at:

[Workshop invitation](#)

EU Network Code update Load Frequency Control and Reserves (LFC&R)

ENTSO-E published the draft LFC&R Network Code for public consultation on 1 February 2013, with a deadline for responses of 2 April 2013. The objectives of the LFC&R Network Code are to help ensure a coherent and coordinated operation of transmission networks across Europe to achieve a satisfactory level of frequency quality.

The Network Code focuses on frequency quality criteria, frequency control structure, frequency containment reserves (FCR), frequency restoration reserves (FRR), replacement reserves and exchange of reserves. These LFC&R provisions will also help to ensure efficient utilization of infrastructure and resources as part of the suite of Network Codes being developed by ENTSO-E. The LFC&R Network Code has been drafted by ENTSO-E based on the System Operations Framework Guidelines produced by ACER (Agency for the Co-operation of Energy Regulators).

The public consultation provides a two month period for all interested stakeholders to formally record their comments on the Network Code. After the consultation, the Network

Code will be revised prior to being submitted to ACER by the end of June 2013.

The status of the other Network Codes under development is as follows:

- **Requirements for Generators:** ACER’s reasoned opinion requested ENTSO-E to provide revision or justification for four areas of the Network Code. ENTSO-E is presently completing the revisions to the Network Code and the code will then be resubmitted to ACER by 6 March 2013.
- **Capacity Allocation and Congestion Management:** ACER’s reasoned opinion requests further revision of the Network Code in 11 areas. ENTSO-E, ACER and the Commission are working together to find a way forward on these which could then allow ACER to onwards submit the code to the Commission with a qualified recommendation.
- **Demand Connection Code:** The Network Code was submitted to ACER on 4 January 2013. The ACER Opinion is due within 3 months.
- **Operational Security:** Revision underway following comments received during public consultation. The Code is due to be submitted to ACER by end February 2013.
- **Operational Planning and Scheduling:** Revision underway following comments received during public consultation. The

Code is due to be submitted to ACER by end March 2013.

- **Forward Capacity Allocation:** Drafting continues in advance of public consultation expected in Spring 2013.
- **Balancing:** Formal mandate to draft the Network Code received by ENTSO-E from the Commission in December 2012. Code is now being drafted.

For further information, please contact european_codes.electricity@nationalgrid.com.

STOR E-Tender Tool

Thank you to all those providers who took the time to trial the STOR E-Tender prototype as part of Tender Round 19 and for your continued engagement with National Grid in order to improve the efficiency of the STOR Tender Process.

I would encourage those who have not yet taken the opportunity to trial the E-Tender Tool to familiarise yourself with its functionality, as we believe it will be mutually beneficial to the continued development of an enduring electronic tender process solution.

We appreciate that there were known issues with this version of the E-Tender Tool (as more specifically described in the [guidance document](#)) but hope that you saw a significant improvement from our earlier trials. It is now our intention to work on these known issues and to evaluate the most recent feedback received in order to introduce further improvements.

It is our expectation that paper copies could be replaced with an electronic solution in STOR Year 7 and more details will be communicated shortly in this regard.

If you would like to discuss the STOR E-Tender process, please contact your Account Manager or Laura Brock at laura.m.brock@nationalgrid.com.

CMP208 Provision of Monthly Updates to BSUoS charges for the current and next financial year

Following industry consultation, on the 7th February 2013 the Authority approved the CMP208 Workgroup

Alternative CUSC Modification (WACM) "Provision of Monthly Updates to BSUoS charges for the current and next financial year". The Alternative CUSC Modification will be implemented on 1st June 2013 and obligates NGET to provide monthly updates to BSUoS charges, to be published via the existing Monthly Balancing Services Statement (MBSS) and to engage with industry participants to discuss the changes to published Balancing Services Use of System Charges Forecast Information.

Further information relating to the CUSC Modification and Ofgem's approval letter can be found on our website via the link below: <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/currentamendmentproposals/>

National Grid Customer Commitment

What we do every day matters. Safety and reliability are at the core of our business, as we work to connect people to the energy they use.

We are the backbone of the UK's energy industry, supporting the networks, and enabling energy to flow into homes, offices, schools and hospitals.

This is important to our employees and we're passionate about it. But having passion for something isn't always enough.

To continue being successful, we know that we need to operate differently. The world around us is changing, so we want to be part of that change and to help drive it.

Everyone in National Grid, from our account managers to our planners and field engineers, is working together to make sure that when you do business with us, you experience a flexible, 21st century utility that's in tune with your business needs.

To spell out exactly what you can expect from us we've created a customer commitment for our UK Transmission business – and you can hold us accountable for delivering it. We hope that you are already starting to experience the focus that we are

putting on our customer service. And we'll keep checking to make sure that we continue to do what you need us to.

So please help us to do the best job we can for you. If you have the opportunity to provide us with feedback, please do so. We appreciate your time and comments.

We're on a journey towards a better way of doing things for you.

Our commitment to UK Transmission customers

We will work closely with you to build a foundation for trust through open and honest relationships

We will listen, understand your needs and expectations, and seek solutions that work for you.

We will help you understand our business so that we can work better together.

We will be accountable for delivering a clear and timely service.

We will seek and act upon your feedback.

Read on to find out more about [how we will be changing what we do](#) to support the transmission customer commitment.