

Constraint Information Transparency



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Presentation Outline

- Industry working group
- Areas of constraint information transparency
- Industry consultation

Industry Working Group

- Commercial Balancing Services Group (CBSG)
 - Established in April 2010
 - Focal point to discuss commercial balancing services

- Attendees include:
 - Generators, Demand side, Ofgem, and Elexon

- Initial CBSG focus:
 - Transparency of constraint-related information
 - Development of constraint management services

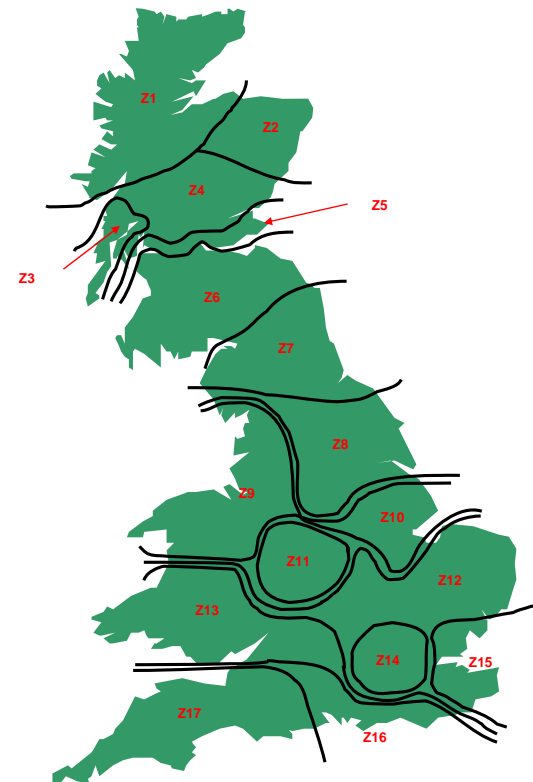
Areas of Constraint Information Transparency

- Alignment of BMRS / OC2 / SYS zones

5 BMRS Zones

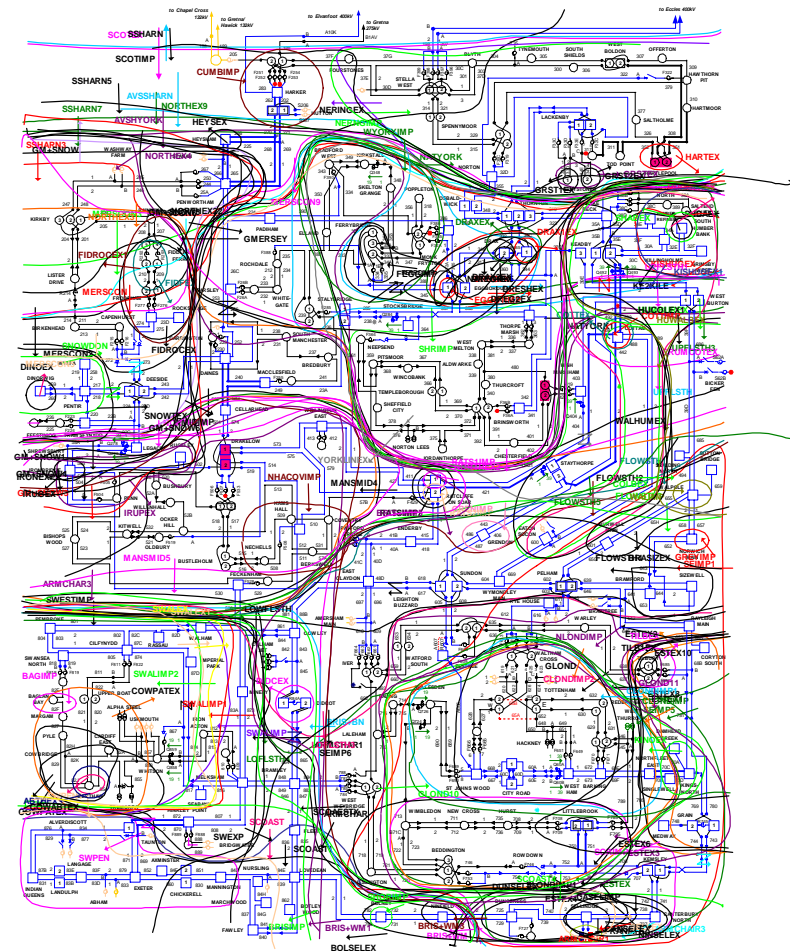


17 Seven Year Statement Zones



Areas of Constraint Information Transparency (cont.)

- Constraint boundaries
- National security concerns
- Market dominance
 - Licence condition as deterrent
- Complex and variable information



Areas of Constraint Information Transparency (cont.)

- Alignment of BMRS / OC2 zones
- Constraint boundaries
- Generator outage / availability
- Ex-post constraint cost allocation
- Constraint management services
- Governance on information disclosure
- Transmission outages

A wide range of areas developed by CBSG

Industry Consultation

- Developed by CBSG
- Consulted in November-December 2010
- 7 Responses
- Post-consultation discussions at CBSG
 - Proposed way forward

Proposed Way Forward

- Review and, if possible, align BMRS/OC2 with 17 Seven Year Statement zones
- Provide information on flows across boundaries
- Improve coordination of generation and transmission outages
- Seek to incorporate constraint cost allocation methodology in appropriate governance framework
- Provide more granular information on constraint management services – information disclosure restrictions

Some areas may require further industry consultation

Q&A

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CBSG web page:

<http://www.nationalgrid.com/uk/Electricity/Balancing/CommercialBalancingServicesGroup/>