

The National Grid Company plc

GRID CODE REVIEW PANEL

Proposals to clarify the Grid Code associated with "Beyond the Wall", One hour Gate Closure and the use of Dynamic Data

Introduction

1. A proposal to amend the Balancing and Settlement Code (BSC) to reduce the length of the Balancing Mechanism window from 3 ½ to 1 hours has been approved by Ofgem for implementation from 2 July 2002. The only direct consequence to the Grid Code is to require a change to the defined term Gate Closure as shown in the Appendix to the Glossary and Definitions. As this does form part of the formal Grid Code, no discussion or consultation is required before this change is made.
2. National Grid has developed a new type of Ancillary Service (Pre Gate BMU Transactions (PGBTs)) to aid the implementation of the Gate Closure change and to be consistent with the supplement to the Balancing Principles Statement (BPS) issued in February 2002. PGBTs have been introduced to deal with the "Beyond the Wall" issue.
3. National Grid has been preparing a draft Grid Code Consultation Paper, and at one stage was considering distributing this to GCRP members with a view to the issue of the paper in advance of the May GCRP meeting. However, development of some of the concepts has taken longer than anticipated and it is felt that GCRP members would appreciate a presentation on the topic at its May meeting.
4. Consequently, a draft Consultation Paper is attached as the Appendix to this paper, rather than the usual form of Appendix.

The Way Forward

5. Members of the Grid Code Review Panel are invited to consider the issues raised above and note that, following discussion at the GCRP meeting, National Grid expects to issue a Grid Code consultation paper.



National Grid

DRAFT

**GRID CODE
CONSULTATION DOCUMENT**

**Proposals to clarify the Grid Code associated with
"Beyond the Wall", One hour Gate Closure and the
use of Dynamic Data**

**The purpose of this document is to consult on the above Grid Code
Modification Proposal with authorised electricity operators liable to be
materially affected by the proposed changes**

Consultation Ref	B/02
Issue	D07
Date of Issue	29 th April 2002
Prepared by	National Grid

DOCUMENT LOCATION

National Grid website:

http://www.nationalgridinfo.co.uk/grid_code/mn_consultation_papers.html

DISTRIBUTION

Name	Organisation
AEO's	Various
GCRP Members/Alternates	Various
Interested Parties	Various
National Grid Industry Information Website	

A. Introduction

1. The National Grid Company plc ("National Grid"), in accordance with its obligations under paragraph 2 of Condition 7 of the Transmission Licence, believes that the time has come to review, in consultation with authorised electricity operators liable to be materially affected thereby, the Grid Code and its implementation in certain respects.
2. This review is concerned with some proposals for changes to clarify the Grid Code in association with solutions to issues about "Beyond the Wall", One hour Gate Closure and to clarify the use of Dynamic Data. It should be noted that the proposed changes are complementary to a Balancing And Settlement Code (BSC) change and not a prerequisite of that change.
3. Following receipt of comments from those authorised electricity operators which it has consulted by this Paper, National Grid intends, in accordance with paragraph 2 of Condition 7 of the Transmission Licence, to send to the Authority :-
 - (a) a report on the outcome of its review, including this consultation process;
 - (b) the proposed revisions to the Grid Code which National Grid (having regard to the outcome of such review) reasonably thinks fit for the achievement of the objectives of the Grid Code referred to in sub-paragraph (b) of paragraph 1 of Condition 7 of the Transmission Licence; and
 - (c) any written representations or objections from authorised electricity operators (including any proposals by such operators for revisions to the Grid Code not accepted by National Grid in the course of the review) arising during the consultation process and subsequently maintained.
4. The revisions to the Grid Code proposed by National Grid and sent to the Authority then require approval by that body and will, if approved, come into force on such date (or dates) of which you will be notified by National Grid, in accordance with the Authority's approval.

B. DESCRIPTION OF THE PROPOSED AMENDMENTS AND THEIR EFFECTS

5. Background

- 5.1 Following a number of industry consultations to address the issue of Bid-Offer Acceptances with an instantaneous return to the previous Physical Notification at the end of the Balancing Mechanism period (the "Beyond the Wall" issue), a supplement to the Balancing Principles Statement (BPS) was formally issued on 27th February 2002. It is thought appropriate to make a few changes to clarify the Grid Code in some related areas of the Balancing Codes.
- 5.2 BSC modification proposal P12, to reduce the Balancing Mechanism period from 3½ hours to 1 hour, is expected to be implemented on 2nd July 2002. A new type of Ancillary Service (Pre Gate BMU Transactions (PGBTs)) has been developed to aid the implementation of 1 hour Gate Closure, consistent with the changes to the BPS issued in February. Although not requiring any Grid Code change (apart from an informal change to the Appendix of the Glossary and Definitions), it is felt that the Grid Code would benefit from a few changes to clarify BC1 and BC2 to make additional references to Ancillary Services where this is appropriate.
- 5.3 Dynamic Parameters are provided to National Grid in accordance with provisions in BC1 (Pre Gate Closure Process) and BC2 (Post Gate Closure Process). However, with the shortening of the Gate Closure time referenced above, this distinction becomes less appropriate. Hence it is proposed that changes are made to BC1 and BC2 to confirm that submissions made under BC1 are applicable to the day ahead, while those submitted under BC2 are applicable to the current Operational Day.

6. Proposed Changes

6.1 Balancing Code No 1 (BC1)

A change is proposed to BC1.4.2(a) to clarify that Physical Notifications should take into account any Ancillary Services (e.g., PGBTs) that National Grid has indicated to the User that it may instruct. A sentence has been added to BC1.4.2(d) to indicate that Bid-Offer Data will be utilised by National Grid in relation to the next Operational Day, including in its assessment of the need for PGBTs.

A change is proposed to BC1.4.2(e) to make it clear that Dynamic Parameters submitted under BC2 will be used in the current Operational Day will be those. A small change to BC1.4.3 has been made to add a reference to the instruction of Ancillary Services (such as PGBTs).

6.2 Balancing Code No 2 (BC2)

Changes to BC2.5.3.1 have been proposed to clarify the usage of Dynamic Parameters under BC2. BC2.7.2(b) has been modified to explain how National Grid will deal with Bid-Offer Acceptances which extend to the "wall".

6.3 The changes

The proposed Grid Code changes are shown in Appendix 1 with proposed changes marked against the current Grid Code, additions being double-underlined and deletions struck-through.

C. COMMENTS

8. National Grid would be grateful to receive your comments on, or any suggestions you may have in relation to, these proposed amendments to the Grid Code. Comments would be welcomed and should be sent to National Grid by **XX YYYYYY 2002**. The comments will be reviewed and responded to and National Grid will then prepare its report to the Authority.

9. Your formal responses may be:-

Posted to: Mr Geoff Charter
Commercial Development
The National Grid Company plc
National Grid House
Kirby Corner Road
Coventry
CV4 8JY

Faxed to: 024 7642 3298

Emailed to: geoff.charter@uk.ngrid.com

Appendix 1

a) **Extracts from Balancing Code No 1**

BC1.4.2(a) Day Ahead Submissions

Physical Notifications must, subject to the following operating limits, represent the **User's** best estimate of expected input or output of **Active Power** (taking into account any **Ancillary Services** that **NGC** has indicated to the **User** that it may instruct) and shall be prepared in accordance with **Good Industry Practice**. **Physical Notifications** for any **BM Unit** should normally be consistent with the **Dynamic Parameters** and **Export and Import Limits** and must not reflect any **BM Unit** proposing to operate outside the limit of its **Demand Capacity** and **Generation Capacity** and, in the case of a **BM Unit** comprising a **Generating Unit** or **CCGT Module**, its **Registered Capacity**.

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BC1.4.2 (d) Bid-Offer Data

. each of its **BM Units**, submit to **NGC** for any **Settlement Period** of the next **Operational Day** the data listed in **BC1** Appendix 1 under the heading of "**Bid-Offer Data**" to amend the data already held by **NGC** in relation to **Bid-Offer Data**, which would otherwise apply to those **Settlement Periods**. The submitted **Bid-Offer Data** will be utilised by **NGC** in the preparation and analysis of its operational plans for the next following **Operational Day** and may be used in connection with instructing certain **Ancillary Services**. **Bid-Offer Data** may not be submitted

(e) Dynamic Parameters (Day Ahead)

Each **BM Participant** may, in respect of each of its **BM Units**, submit to **NGC** for the next following **Operational Day** the data listed in **BC1** Appendix 1 under the heading of "**Dynamic Parameters**" to amend that data already held by **NGC**.

These **Dynamic Parameters** shall reasonably reflect the expected true operating characteristics of the **BM Unit** and shall be prepared in accordance with **Good Industry Practice**. In any case where non-zero **QPN** data has been provided in accordance with BC1.4.2(b), the **Dynamic Parameters** will apply to the element being offered for control only, i.e. to the component of the **Physical Notification** between the **QPN** and the full level of the **Physical Notification**.

The **Dynamic Parameters** applicable to the next following **Operational Day** will be utilised by **NGC** in the preparation and analysis of its operational plans for the next following **Operational Day** and may be used to instruct certain **Ancillary Services**. For the avoidance of doubt, the **Dynamic Parameters** to be used in ~~Balancing Mechanism timescales~~ the current **Operational Day** will be those submitted in accordance with BC2.5.3.1.

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BC1.4.3 **Data Revisions**
The **BM Unit Data** derived at 1100 hours each day under BC1.4.2 above may need to be revised by the **BM Participant** for a number of reasons, including for example, changes to expected output or input arising from revised contractual positions, plant breakdowns, changes to expected **Synchronising** or **De-Synchronising** times, instruction of **Ancillary Services**, etc, occurring before **Gate Closure**. **BM Participants** should use reasonable endeavours to ensure that the data held by **NGC** in relation to its **BM Units** is accurate at all times. Revisions to **BM Unit Data** for any period of time up to **Gate Closure** should be submitted to **NGC** as soon as reasonably practicable after a change becomes apparent to the **BM Participant**. **NGC** will use reasonable endeavours to utilise the most recent data received from **Users**, subject to the application of the provisions of BC1.4.5, for its preparation and analysis of operational plans.

b) **Extracts from Balancing Code No 2**

BC2.5.3.1 At any time, any **BM Participant** (or the relevant person on its behalf) may, in respect of any of its **BM Units**, submit to **NGC** the data listed in **BC1**, Appendix 1 under the heading of **Dynamic Parameters** from the **Control Point** of its **BM Unit** to amend the data already held by **NGC** (including that previously submitted under this BC2.5.3.1) for use in operating the **Balancing Mechanism** and in the preparation for such operating. The change will take effect from the time that it is received by **NGC**. For the avoidance of doubt, the **Dynamic Parameters** submitted to **NGC** under BC1.4.2(e) are not used ~~in connection with operating the **Balancing Mechanism** within the current **Operational Day**~~. The **Dynamic Parameters** submitted under this BC2.5.3.1 shall reasonably reflect the true current operating characteristics of the **BM Unit** and shall be prepared in accordance with **Good Industry Practice**.

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BC2.7.2 **Consistency with Export and Import Limits, QPNs and Dynamic Parameters**

- (a) **Bid-Offer Acceptances** will be consistent with the **Export and Import Limits, QPNs, and Joint BM Unit Data** provided or modified under **BC1** or **BC2** and the **Dynamic Parameters** provided or modified under **BC2**. **Bid-Offer Acceptances** may also recognise **Other Relevant Data** provided or modified under **BC1** or **BC2**
- (b) In the case of consistency with **Dynamic Parameters** this will be limited to the time until the end of the **Settlement Period** for which **Gate Closure** has most recently occurred. **NGC may indicate to the BM Participant that it intends to issue a Bid-Offer Acceptance covering a period after the end of the Settlement Period for which Gate Closure has most recently occurred, based upon the then submitted Dynamic Parameters, QPNs, Export and Import Limits, Bid-Offer Data and Joint BM Unit Data applicable to that period. The intention will then be reflected in the issue of a Bid-Offer Acceptance after the relevant Gate Closure**

provided the submitted data has not changed and subject to System conditions which may affect that intention. Subject to that, Assumptions regarding Bid-Offer Acceptances may be made by BM Participants for Settlement Periods for which Gate Closure has not yet occurred when assessing consistency with Dynamic Parameters in Settlement Periods for which Gate Closure has occurred. For the avoidance of doubt, this does not imply that any such Bid-Offer Acceptances will be issued for a Settlement Period for which Gate Closure has not yet occurred. For example a BM Unit with a Notice to Deviate from Zero (NDZ) and Minimum Non Zero Time (MNZT) which sum to greater than the length of the Balancing Mechanism period can only be issued with a Bid-Offer Acceptance to the end of the Balancing Mechanism window, which would be earlier than the expiry of the MNZT. In this case, no such subsequent Bid-Offer Acceptance is issued, the original Bid-Offer Acceptance will include an instantaneous return to Physical Notification at the end of the Balancing Mechanism period.