

ELEXON'S RESPONSE TO THE ALL EUROPEAN TSO CONSULTATION ON INTRADAY GATE OPENING AND CLOSURE TIMES

1. Introduction

On 18 April 2016, the European Transmission System Operators (TSOs) who are bound by CACM¹ issued three consultations as required by CACM. One of these consultations related to Intraday Cross Zonal Gate Opening and Closure Times (ICZGOT and ICZGCT) and can be found on the European Network of Transmission System Operators for Electricity (ENTSO-E) website [here](#).

As there always exists the possibility that the ICZGCT could interact with our local British Balancing Mechanism Gate Closure Time, ELEXON has examined the proposals specifically considering this potential interaction, and has responded to the consultation as follows.

Format of this document

Responses to the consultation had to be in a set format loaded into a web interface on the ENTSO-E website.

This document was used to develop the ELEXON response in the format required and represents the submission made. We did not answer all the consultation questions. Only the one question to which ELEXON made a response is listed below.

Steve Wilkin, 16 May 2016

2. Consultation Questions to which ELEXON responded and the ELEXON Response

Q 2: How does the IDCZGOT and IDCZGCT proposal affect your internal, market related processes (if applicable)? Please explain.

ELEXON Response:

Firstly we wish to explain our role and interest in this consultation.

ELEXON Limited delivers the electricity balancing settlement and imbalance settlement services that are critical to the successful operation of Britain's (GB's) current electricity trading arrangements under the national GB Balancing and Settlement Code. We are not a TSO, but we undertake operations that in some other EU Member States are undertaken by TSOs.

The views expressed in this consultation response are those of ELEXON Limited alone, and do not seek to represent those of the Parties to the GB Balancing and Settlement Code which we administer.

In answer to this Question 2, our TSO, National Grid Electricity Transmission plc (NGET), currently operates the GB balancing market with a balancing energy gate closure time of 1 hour.

This local balancing energy gate closure time currently applies to all of the following:

- nominations of physical scheduled generation/demand in MWs on a geographical/individual asset basis
- bids and offers (prices and volumes) offered to NGET for it to request deviations from the scheduled generation/demand in balancing timescales

¹ European Regulation No. 2015/1222 (the Congestion Management and Capacity Allocation Guideline), otherwise known as CACM.

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- notifications of energy contract volumes to ELEXON, the balancing and imbalance settlement administrator for GB.

It is possible that there will be requests from market participants to move some or all of these local gate closure times closer to real time to allow them to take account of any intraday contracts notified to them after the proposed IDCZCGT of 1 hour, i.e. to have a 'time gap' between the closure of intraday bid submissions (the IDZGCT) and the local balancing energy gate closure times.

As the ICZGCT proposal cannot be considered in isolation from its effect on balancing, the legal requirements set out in the Network Code on Electricity Balancing (NC EB) also need to be considered.

We note that in the latest draft of the NC EB that we have seen (dated July 2015), Article 35(4)(b) requires that:

'A Balancing Energy Gate Closure Time shall:

(b) be after the Intraday Cross Zonal Gate Closure Time for all Balancing Energy bids and avoid to the highest possible extent the Intraday Market and Balancing Market taking place at the same time;..'

If the word 'after' is retained in the final version of the NC EB, then our local Balancing Energy Gate Closure Time will need to be amended to be less than 1 hour if ICZGCT is set to be 1 hour. However, given that ICZGCT cannot legally be more than 1 hour according to Article 59(3) of CACM, any proposal, when considered in conjunction with the draft NC EB requirements, would lead to a local change.

END