

Skip Rates Forum – 1 May – Summary and next steps

On 1 May, we hosted a Skip Rates Forum. Below is a summary of the key discussions held during the event, along with the next steps we plan to take to address your feedback.

Data

Proposed new 'Acceptances' dataset:

- All attendees confirmed that publication of this would be useful; 63% of attendees who voted would like data for all stages of the exclusions methodology to be included

Proposed new 'Skip rate by fuel type' dataset:

- Two methods for calculating skip rate by technology type, using existing datasets, will answer different questions
- 73% of attendees who voted would like both methods to be published, for 30-minute time periods; 62% are particularly interested in data for stage 5

Proposed new dashboard:

- An embedded, interactive dataset on the data portal would allow further feedback and co-creation with iterative amendments to maximise value to users
- Features requested in addition to those included in the presented mock-up: proportion of action energy vs system; additional drop-down for skip rate by zone; additional box for All BM, PSA and System Actions; additional box for Bid, Offer and Combined; cost to consumer; DSR as technology type; daily granularity for plot of volume excluded at each stage; system actions; materiality

Next steps

- We will scope the work to create the new datasets and dashboard, and will agree the timescales relative to other work within the programme
- We will continue to publish documentation that explains the contents of the datasets and how to use them together to gain insight

Public

Materiality

Options

- The upcoming work to measure the materiality of skips –could be undertaken either by LCP Delta or the NESO balancing costs team – there was no strong preference, but some would value external assurance
- We discussed the concept of ‘economic skips’ and how these could be accounted for
- There was a range of views on the usefulness of getting to a materiality figure for skip rates, noting the complexities to be caveated and explained

Next steps

- We will begin the work shortly and are considering how it could be aligned with upcoming methodology changes
- We will more clearly explain and test our definition of economic skips

Methodology Changes

- We proposed approaches for Mandatory Frequency Response (MFR), Spin Gen and Spin Pump, and Ramp Rates
- There is general support for updates to address the current methodology’s limitations, simple changes for MFR and Spin Gen & Spin Pump first, and complex ramp rate changes later.
- Current methodology focuses on energy actions in real time where system actions are excluded – there is also a need to measure efficiency of system actions, particularly to manage constraints
- Many decisions are taken outside of the Balancing Mechanism, such as bringing a long notice unit (e.g. CCGT) online for an extended time – the upcoming Wider Dispatch Review will evaluate these actions
- Further work is required to understand the impact of ancillary services such as Balancing Reserve and Quick Reserve
- Methodology changes could increase or decrease skip rates – their purpose is not to reduce skip rates but to remove volume that is not related to energy balancing, to support targeted root-cause analysis

Next steps

We will proceed with:

- Designing data collection, ingest and methodology implementation processes

Public

- Scope approaches for system actions and ancillary services
- Define timelines for implementation

Thank you again for your participation and insights. We are committed to addressing the points raised. We will keep you updated on the progress of the wider dispatch review project and other initiatives.

Please look out for information on the next opportunities to engage with us.

In the meantime, if you have any further questions or feedback, please feel free to contact us at Box.SkipRates@nationalenergyso.com.