

# Demonstrating satisfactory performance and extended performance guidance v2.0

January 2019



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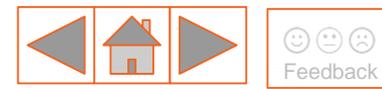
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# Version control



The table below will record the page numbers of any new changes to the document for each version. The new changes will be highlighted in yellow throughout the guidance document.

#	Changes	Pages	Date
1.0	Original document	-	08/01/2019
2.0	<ul style="list-style-type: none"><li>- Updated the method of calculation for storage CMUs</li><li>- More information has been added with regards to the metered data</li></ul>	6,12,18,19,20	30/01/2019

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# 1. Explanations



Here you can find the explanations of the terms mentioned throughout this guidance document. We have highlighted the terms in *Italic* where mentioned for the first time. Please refer to the Capacity Market Rules and Regulations for the full definitions.

<b>Term</b>	<b>Explanation</b>
<b>Adjusted Connection Capacity</b>	means the product of the Connection Capacity for that Capacity Committed CMU and the TCWAA of the Storage Generating Class to which the Capacity Committed CMU belongs.
<b>Capacity Agreement Notice (CAN)</b>	means a notice issued by the Delivery Body (DB) to a Capacity Provider (CP) setting out the terms of the Capacity Agreement for a Capacity Committed CMU.
<b>Capacity Committed CMU</b>	means a CMU that is identified in the Capacity Market Register as being subject to a Capacity Obligation for that Delivery Year.
<b>Capacity Obligation</b>	means the Auction Acquired Capacity Obligation (AACO) of that Capacity Committed CMU, meaning the De-rated Capacity. In the case that the CMU has traded part or all of its AACO, the Capacity Obligation is equal to the untraded capacity.
<b>CMU Portfolio</b>	means a group of Capacity Committed CMUs with the same Capacity Provider where those CMUS are either DSR CMUs or CMUs with total Connection Capacity (the capacity before applying the De-rating Factor) no greater than 50MW. Please see <a href="#">here</a> for more info.
<b>Delivery Year (DY)</b>	means the Capacity Year, a period of one year starting on 1 October and ending on the following 30 September.
<b>Settlement Period</b>	means a period of 30 minutes beginning on an hour or half-hour.
<b>SPD</b>	stands for Satisfactory Performance Day.
<b>TCWAA</b>	stands for Technology Class Weighted Average Availability, which is equal to 96.11% for the DY 18/19.
<b>Winter</b>	means a period starting on 1 October and ending on the following 30 April.

## 2. What has changed?

The changes below relate only to agreements awarded after December 2017:

1. Three SPDs during the *Winter Period*, of which at least one is during the period from 1 January to 30 April.

1. This change is **only** applicable to **Capacity Agreements** awarded as a result of Capacity Auctions after the Rules ([Capacity Market \(Amendment\) \(No.4\) Rules 2017](#)) came into force on **21 December 2017**. Also, as part of the Rule change, it is worth noting that there is a Termination Event and Fee (TF4) associated with the failure of demonstrating satisfactory performance. Please click [here](#) for more information.

2. Storage Generating Units with Capacity Agreements

a) ~~Need to demonstrate SPD performance using the Baseline Methodology;~~ and

b) Need to demonstrate extended performance for at least one day in the Winter every three *Delivery Years*.

2. There are some changes that affect the Storage Generating Units with Capacity Agreements awarded after 21 December 2017.

a) ~~The capacity delivered by a Generating CMU which is a Storage Facility is going to be calculated using the Baseline Methodology, as per Schedule 2A. Please click here to learn more about the Baseline Methodology.~~

b) Storage Generating Units need to demonstrate extended performance during at least one Satisfactory Performance Day in the Winter of the first Delivery Year. This test will be required every third Capacity Year. There is a Termination Event and Fee (TF4) associated with the failure of demonstrating extended performance. Please click [here](#) for more information.

### 3. What ‘demonstrate satisfactory performance’ means?

A *Capacity Committed CMU* with a *Capacity Obligation* in **2018/19** must demonstrate to the Delivery Body in accordance with **Rule 13.4.2**, capacity at a level equal to or greater than its Capacity Obligation or aggregate Capacity Obligations in case of a *CMU Portfolio* for at least one *Settlement Period*, on three separate days during the Winter of the relevant Delivery Year. In case of a CMU Transferee to which a Capacity Obligation has been transferred, the SPD obligations is subject to **Rule 9.5**.

- ❑ **CANs awarded before Dec 2017:** If the Capacity Committed CMU has a Capacity Agreement from the 2014 (T-4) Four Year Ahead Capacity Market Auction, the Capacity Provider should select three SPDs during the Winter in the relevant Delivery Year.
- ❑ **CANs awarded after Dec 2017 :** If the Capacity Committed CMU has a Capacity Agreement from the 2018-19 (T-1) One Year Ahead Capacity Market Auction, the Capacity Provider should select three SPDs during the Winter Period, of which **at least one** SPD must occur during the period **from 1 January to 30 April** (both days inclusive) for that Delivery Year.

# 4. How does the SPD process work?

## 4. Satisfactory Performance has **successfully** been demonstrated

Once the Delivery Body has completed the assessment of the data, you will receive a system generated notification which states the 'review status'. In the case that the CMU has failed to meet the obligation, the CP needs to start the process again.

## 2. DB sends data request to EMRS

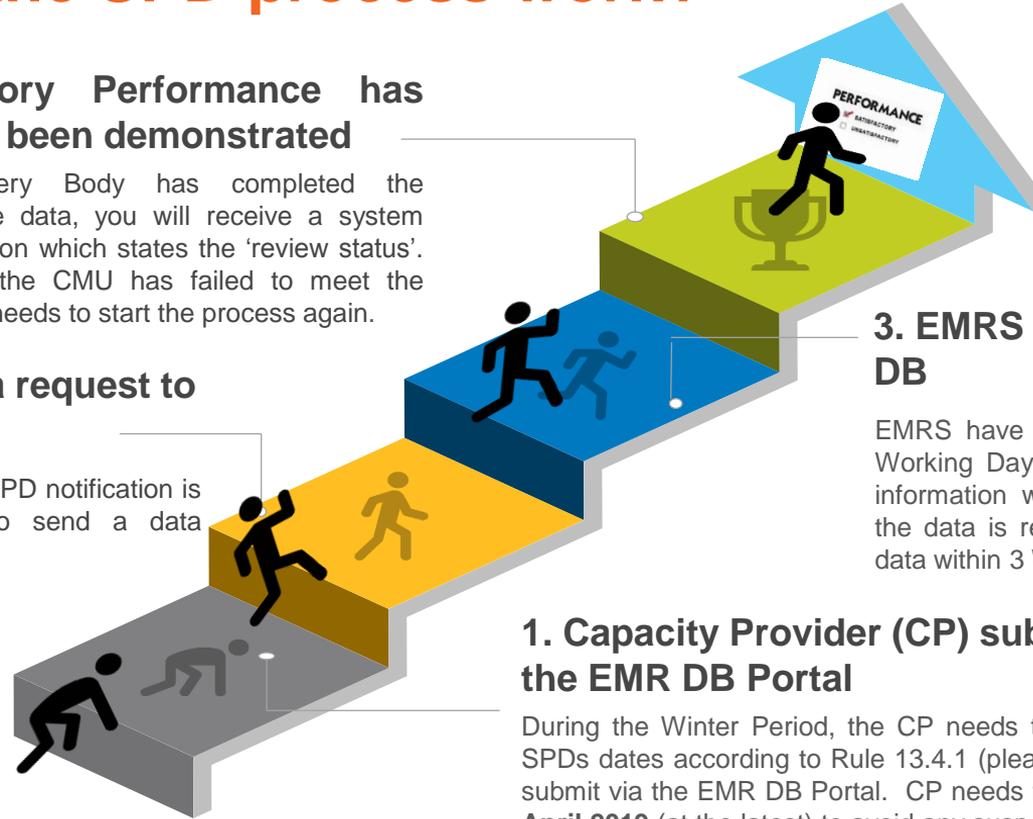
Within 5 days after the SPD notification is received, DB needs to send a data request to EMRS.

## 3. EMRS sends the data to the DB

EMRS have a turn-around time of up to 7 Working Days. Please check [here](#) for more information with regards to the data. Once the data is received, the DB will review the data within 3 Working Days.

## 1. Capacity Provider (CP) submits SPDs in the EMR DB Portal

During the Winter Period, the CP needs to choose three separate SPDs dates according to Rule 13.4.1 (please refer to this [slide](#)) and submit via the EMR DB Portal. CP needs to submit the SPDs by **30 April 2019** (at the latest) to avoid any suspensions. Please click [here](#) to see how you can submit the SPDs in the EMR DB Portal.



## 5. How to submit SPDs in the EMR DB Portal (1/2)

### Step 1 - Select the Satisfactory Performance Days (SPDs)

Select the three separate Satisfactory Performance Days.

### Step 2 - EMR DB Portal

Log on to the [EMR DB Portal](#).

### Step 3 - Navigate to 'My Agreements'

Click on 'My EMR' and then 'My Agreements'. This takes you to a list of all the agreements. Find the relevant agreement by entering the CMU ID into the search box at the bottom of the table. Make sure that this CMU has an agreement delivering in 2018/19.

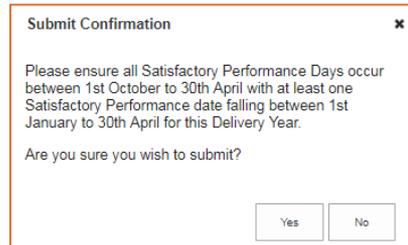
### Step 4 - Click 'Prove Performance'

A rectangular button with a light blue border and the text 'PROVE PERFORMANCE' in blue capital letters.

## 5. How to submit SPDs in the EMR DB Portal (2/2)

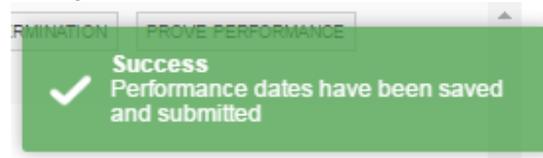
### Step 5 - Enter the SPDs

Under the 'Performance Monitoring' tab, enter the **three** chosen dates in the format DD/MM/YYYY in the spaces provided. After entering all dates, click 'Submit'. A warning message box (see below) will pop up. Click 'Submit' if the submission is correct.



### Step 6 – Verify SPD submission

A green text box should appear. This confirms that the SPDs have been entered into the system. If 'Prove Performance' is clicked again, all SPDs should be greyed out. Please see [here](#) to find out the next steps of the process.



## 6. How to submit SPDs as a ‘CMU Portfolio’?

### What is a ‘CMU Portfolio’?

CMU Portfolio means a group of Capacity Committed CMUs with the same Capacity Provider where those CMUs are either:

- DSR CMUs which consist of DSR CMU components on two or more different sites; or
- Distribution and Transmission CMUs, where, for each such CMU the **aggregate Connection Capacity** (capacity before applying the de-rating factor) of all generating units is no greater than 50MW.

The CMU Portfolio needs to demonstrate capacity delivered in aggregate by the CMU Portfolio at a level to or greater than their combined Capacity Obligations for at least one Settlement Period on three separate days during the Winter of the relevant Delivery Year.

### How to submit SPDs as ‘CMU Portfolio’?

- a) CP submits separate SPD requests for each CMU of the CMU Portfolio in the EMR DB Portal. Make sure the same dates used for all the CMUs in the CMU Portfolio. Please click [here](#) to see how to submit SPDs in the EMR DB Portal.
- b) Then, CP needs to send an email to the [emr@nationalgrid.com](mailto:emr@nationalgrid.com) with the subject ‘**Satisfactory Performance Days\_CMU Portfolio**’ and list the CMUs which are part of the ‘CMU Portfolio’.

## 7. What 'demonstrate extended performance' means?

A Capacity Committed CMU with a **Storage Generating Technology Class** with Capacity Agreement awarded **after 21 December 2017** needs to demonstrate extended performance during at least one Satisfactory Performance Day in the Winter of the first Delivery Year and then once every three years. The Storage CMU will be required to generate continuously at an average of their Connection Capacity multiplied by *TCWAA* for a number of consecutive Settlement Periods equivalent to the storage duration. Please note that storage CMUs with the duration of 4 hours or more will be subject to demonstrate extended performance but only for **8 consecutive Settlement Periods**. ~~Be aware that the 6 week baseline data needs to be available in order to determine the performance. Please click here for more information.~~

Examples:

- i. If the CMU has a Connection Capacity equal to **5.634MW** and the Generating Technology Class is Storage with **1h duration**, the Capacity Committed CMU should demonstrate for **2 consecutive Settlement Periods** capacity equal to **5.415MW** ( = 96.11%\* 5.634MW).
- ii. If the CMU has a Connection Capacity equal to **10MW** and the Generating Technology Class is Storage with **6.5h duration**, the Capacity Committed CMU should demonstrate for **only 8 consecutive Settlement Periods** capacity equal to **9.611MW** ( = 96.11%\* 10MW).

## 8. How to submit extended performance (1/3)

**Only CMUs with Storage Generating Unit(s) should demonstrate extended performance. Please make sure that you submit the extended performance and SPDs at the same time.**

### Step 1 - Select the extended performance date

Select one Satisfactory Performance Day in the Winter. This day can be the same as one of the three SPDs.

### Step 2 - EMR DB Portal

Log on to the [EMR DB Portal](#)

### Step 3 - Navigate to 'My Agreements'

Click on 'My EMR' and then 'My Agreements'. This takes you to a list of all the agreements. Find the relevant agreement by entering the CMU ID into the search box at the bottom of the table. Make sure that this CMU has an agreement delivering in 2018/19.

### Step 4 - Click 'Prove Performance'

A rectangular button with a light blue border and a light blue background, containing the text "PROVE PERFORMANCE" in blue, uppercase letters.

## 8. How to submit extended performance (2/3)

### Step 5 - Enter the extended performance date

Under the 'Performance Monitoring' tab, enter the extended performance date in the format DD/MM/YYYY.

#### Extended Performance

Extended Performance date \*

Please enter the Satisfactory Performance Day in which extended performance was demonstrated

### Step 6 – Select the consecutive Settlement Periods

Select from the drop down menu the period in which the extended performance was demonstrated. Make sure that the period is equal to the Storage Generating Technology Class duration. Be aware that the Settlement Periods are inclusive. For example for a storage with 0.5 hour duration, the below should be selected.

#### Settlement period

Please select from the drop down menu the period that the extended performance will be demonstrated. Make sure that it is equal to the Storage Generating Technology Class duration

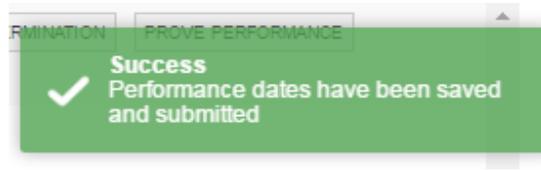
From

To

## 8. How to submit extended performance (3/3)

### Step 7 – Verify extended performance submission

A green text box should appear. This confirms that the SPDs have been entered into the system. If 'Prove Performance' is clicked again, the extended performance section should be greyed out. Please check here to find out the [next steps](#) of the process.



# 9. SPD Roadmap (1/2)

For the **2014** Four Year Ahead Capacity Market Agreements:

### 1. SPD submission window

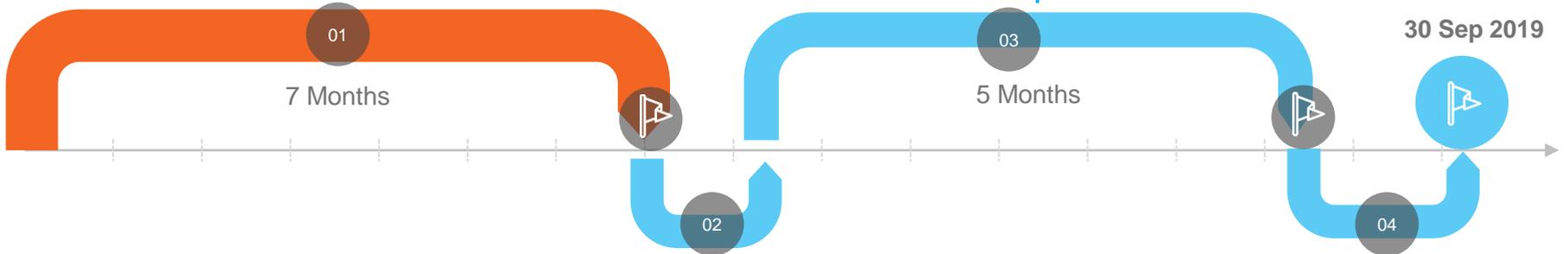
CP should select three SPDs between 1 Oct 2018 and 30 Apr 2019 and submit them to the EMR DB Portal by 30 Apr 2019 at the latest.

**Start: 1 Oct 2018**  
**End: 30 Apr 2019**

### 3. SPD suspension submission window

CP should select three additional SPDs during the period from 1 May 2019 to 30 Sep 2019 and submit them at the latest by 30 Sep 2019. Capacity Payments will be suspended from 1 May 2019 until either 1 June if the three SPDs are on or before 1 June, or till the latest of the three additional SPDs where the performance was demonstrated.

**Start: 1 May 2019**  
**End: 30 Sep 2019**



### 2. SPD suspension

For the CMUs that weren't able to meet the SPD requirement until **30 April 2019**, the Capacity Payments will get suspended until the SPD requirement is met.

**Start: 1 May 2019**

### 4. Recoup of Capacity Payments

In case of failure to meet the SPD requirement by **30 Sep 2019**, all Capacity Payments received for that year must be re-paid to EMRS.

**Start: 30 Sep 2019**

# 9. SPD Roadmap (2/2) (also applicable for extended performance)

For the **2018-19 (T-1)** One Year Ahead Capacity Auction:

## 1. SPD submission window

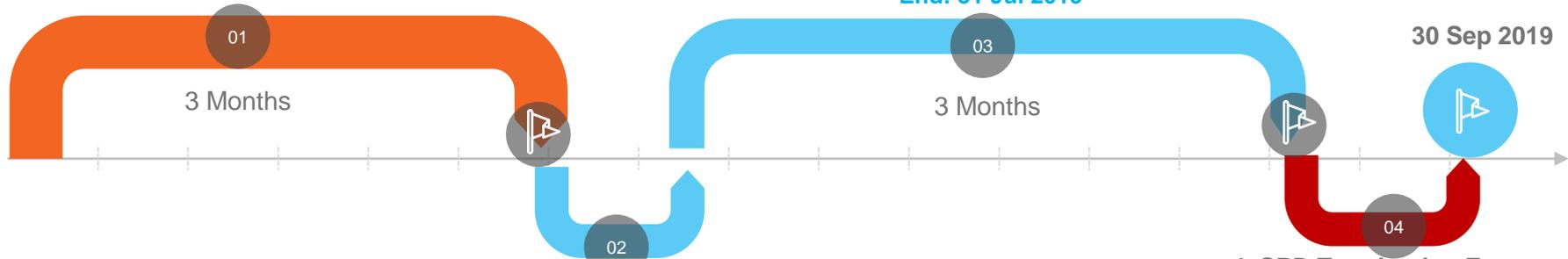
CP should select three SPDs during the Winter period, of which **at least** one SPD must occur during the period from 1 Jan 2019 to 30 Apr 2019 and submit them to the DB Portal by 30 Apr 2019 at the latest.

**Start: 1 Jan 2019**  
**End: 30 Apr 2019**

## 3. SPD suspension submission window

CP should select three additional SPDs during the period from 1 May 2019 to 31 Jul 2019 and submit them by 31 Jul 2019 at the latest. Capacity Payments will be suspended from 1 May 2019 until either 1 June, if the three SPDs are on or before 1 June, or till the latest of the three additional SPDs if it is before or on 31 July.

**Start: 1 May 2019**  
**End: 31 Jul 2019**



## 2. SPD suspension

For the CMUs that weren't able to meet the SPD requirement until **30 April 2019**, the Capacity Payments will get suspended until the SPD requirement is met.

**Start: 1 May 2019**

## 4. SPD Termination Event

In case of failure to meet the SPD requirement by **31 Jul 2019**, a Termination Event will be triggered. The Termination Fee is TF4 (£15,000/MW). In case of a final termination, all the Capacity Payments must be re-paid to EMRS.

**Start: 1 Aug 2019**

## 10. Data used in the assessment (1/2)

The data used to assess the SPDs/extended performance is the same metered volume data that has been submitted to EMRS by the CP. The table below can be found in [WP195 – Capacity Market and CFD Metered Data](#).

Metering Configuration	Metering Pathway	Responsible for Data Submission	Data Collection and Submission	Submission Method
<b>BMU</b>	BMU	Capacity Provider	CDCA; SAA	EMRS receives all metered volumes from SAA
<b>Supplier Settlement</b>	HHDA	Capacity Provider	Supplier appointed HH Data collector (HHDC) and HHDA	Capacity Provider informs supplier they are participating in Capacity Market and supplier instructs HHDA (D0354) to send data flow (D0357) to EMRS
<b>Bespoke or Balancing Services</b>	DC or self submission	Capacity Provider	Capacity Provider or their appointed data collector	Capacity Provider or their appointed data collector submits metered data to EMRS in the defined file format

## 10. Data used in the assessment (2/2)

### Supplier Settlement

CPs using the Supplier Settlement metering pathway are responsible for the status of the data flow arrangements and these should be checked on a periodic basis throughout the Delivery Year.

If you change your Supplier, this will result in the de-appointment of the Data Aggregator and a new relationship will need to be established through a D0354 flow from your new Supplier.

### Bespoke or Balancing Services

Self-submission by the CP or their appointed Data Collector (DC) via a defined CSV format that is uploaded data into the EMRS System via Secure File Transfer Protocol (SFTP) account with EMRS. CPs will be required to setup an SFTP account with EMRS prior to any self-submission of data.

Note that only data received through your chosen metered pathway will be accepted by EMRS on behalf of ESC for SPDs.

If you require any further information or have any issues, please contact EMRS on 020 7380 4333 or email [contact@emrsettlement.co.uk](mailto:contact@emrsettlement.co.uk).

# 11. Baseline Methodology for DSR CMUs

## How DSR and Storage Generating Units prove performance?

The data from the Satisfactory Performance Days will be compared to the 6 week baseline demand for the unit. The relevant 16 data points for determining the baseline demand will be the demand in the equivalent Settlement Period(s).



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