

# Flexibility Academy

## Learning & Development Objectives

The key services required under each of the basket of frequency ('dynamic'), reserve, and Balancing Mechanism opportunities

An overview of the current and proposed procurement processes for services offered by the Electricity System Operator

How values realised for services have changed and the type of assets delivering flexibility services

The outlook for flexibility markets as Distribution System Operator services are developed

## Session 1 – Frequency Response Services

### 10 am Introduction & Welcome

- Tech check!
- Aim & Objectives

### Module Role of the Electricity System Operator (ESO)

- 1
- Managing frequency
  - Why system 'inertia' is important
  - The ESO's 'balancing tools'

### Break

### Module Frequency Response Services Overview & Access

- 2
- What am I being paid for?
    - Overview of frequency response balancing services
      - Dynamic containment, dynamic moderation, dynamic regulation, firm frequency response, mandatory response service
  - What values can be achieved?
    - Revenues that could be realised and their predictability and volatility
  - Who is competing for these revenues?
    - Service providers and how this is changing
  - What policy and regulatory changes should I be aware of?
    - Rules changes in progress
  - Discussion & Q&A

### 11.45 Q&A

### 12.00 What We will Cover Off in Future Sessions & Close



## **Session 2 –Reserve Services**

### **10 am Introduction & Welcome**

- Tech check!
- Aim & Objectives

### **Module Reserve Services Overview & Access**

**1**

- What are reserve services?
- What am I being paid for?
  - Short-term Operating Reserve (STOR)
  - Balancing Reserve
  - Quick Reserve
  - Slow Reserve
  - Entry requirements
- How do I access the revenue opportunity?
  - The processes and conditions for gaining contracts
- Discussion & Q&A

### **Break**

### **Module Value, Competition & Future Changes**

**2**

- What values can be achieved?
  - *Revenues that could be realised and their predictability and volatility*
- Who is competing for these revenues?
  - *Service providers and how this is changing*
- What policy and regulatory changes should I be aware of?
  - *Rules changes in progress*
- Discussion & Q&A

### **11.45 Q&A**

### **12.00 What We will Cover Off in Future Sessions & Close**



## **Session 3 – Balancing Mechanism**

### **10 am Introduction & Welcome**

- Tech check!
- Aim & Objectives

### **Module Balancing Mechanism Overview & Access**

- 1**
- What is the Balancing Mechanism?
    - Process walk-through – Bids and Offers, Bid-Offer Acceptances, Dynamic data
  - Examples of assets in the Balancing Mechanism
  - How costs from the Balancing Mechanism lead to Single Imbalance Prices
  - Discussion and Q&A

### **Break**

### **Module Value, Competition & Future Changes**

- 2**
- How do I access the revenue opportunity?
    - The processes and conditions for gaining access
  - What values can be achieved?
    - *Revenues that could be realised and their predictability and volatility*
  - Who is competing for these revenues?
    - *Service providers and how this is changing*
  - What policy and regulatory changes should I be aware of?
    - *Rules changes in progress*
  - Discussion & Q&A

### **11.45 Q&A**

### **12.00 What We will Cover Off in Future Sessions & Close**



## **Session 4 – Route to Market & Outlook for Flexibility Markets**

### **10 am Introduction & Welcome**

- Tech check!
- Aim & Objectives

### **Module Routes to Market & the Changing Energy System**

**1**

- Development of Distribution System Operators (DSO)
- Offtakers, optimisers and aggregators
- Revenue 'stacking' and 'jumping' – accessing multiple revenue streams
- The ESO's Open Balancing Platform to access services
- Discussion & Q&A

### **Break**

### **Module New & Upcoming Flexibility Considerations**

**2**

- The Enduring Auction Capability – submitting 'basket' bids to access services
  - Revenue stacking
- Role of the National Energy System Operator
- Future Energy Scenarios and the need for flexibility to meet net zero
- Emerging additional flexibility services
- Discussion & Q&A

### **11.45 Q&A**

### **12.00 Close & Next Steps (Plenary)**

