



## **Acceptance & Dispatch Principles**

**Version 1. February 2019**



## Acceptance & Dispatch Principles v0.1

WPD recognises the importance of making the provision of flexibility an investable proposition, as well as the wider commitment to ensure the costs of flexibility remain competitive and economic for our wider customer base.

Where competitive markets have been developed, resulting in over supply, WPD will need to select the priority order on which flexibility assets are accepted and dispatched first. By sharing this methodology in advance, flexibility providers may be able to align the dimensions of the flexibility submitted to the procuring party to those most highly valued.

As WPD will be operating a pay-as-clear pricing structure, there will be no differentiation in price, however there will be optimisations it can make by dispatching the participants in an order which most closely aligns to the required flexibility.

WPD will consider the following factors to optimise our dispatch:

<b>Fairness</b>	<ul style="list-style-type: none"><li>• We will share the dispatch of utilisation across all providers offering availability</li></ul>
<b>Competitive</b>	<ul style="list-style-type: none"><li>• Acceptance of availability will be shared across the largest number of providers</li></ul>
<b>Operability</b>	<ul style="list-style-type: none"><li>• Providers offering greater operability will maximise their chance of participation</li></ul>
<b>Security</b>	<ul style="list-style-type: none"><li>• The needs of the system will be met using flexibility in such a way that supply of security is maintained</li></ul>
<b>Value</b>	<ul style="list-style-type: none"><li>• Flexibility will be operated to meet system needs with the minimum level of over-procurement</li></ul>

As our operational experience in dispatching flexibility increases, we will use this information to provide feedback to flexibility providers in areas and support them to maximise their value to the system.

In the future, as our procurement strategy matures towards full market-led pricing, then pricing submitted for each flexibility asset will be the dominant factor for consideration.