

Firm Frequency Response Market Information for October-15

Monthly Report

Published August 2015

Key points

This Market Information Report is relevant for **tenders submitted in September for delivery in October.**

Tenders from eligible service providers for firm frequency response should be submitted by **Tuesday 1st of September 2015** (1st business day) for all tenders.

National Grid will notify service providers of the outcome of the tender assessment by **Wednesday 16th of September 2015** (12th business day).

For successful tenders, National Grid will notify nominated windows, following assessment by **Wednesday 16th of September 2015** (12th business day).

Introduction

Firm Frequency Response (FFR) is a service through which balancing mechanism (BM) and non-BM participants commit to providing a given measure of response for a fee. National Grid procures the services through a monthly tender process ahead of BM timescales.

Submitted prices are compared to the costs of alternatives to deliver the equivalent level of frequency response. Mandatory response costs include the forecast response holding costs, the forecast bid and offer positioning costs and the forecast cost of creating headroom to provide response. You can find more information about how these costs are considered during tender assessments via the link below.

This report provides information to current and potential providers about the volume of, and time periods over which, response is required.

Highlights

In August 2015, we received 14 FFR tenders for delivery to start from September onwards. 8 tenders were from BM units and 6 were from non-BM units. More details on the tenders accepted/rejected are available from the post-assessment tender report.

Both the FFR Assessment Principles and Post-Assessment Tender Report are available at:

<http://www.nationalgrid.com/uk/Electricity/Balancing/services/frequencyresponse/ffr/>

For a monthly summary of the cost of services procured please follow the below link to the Monthly Balancing Services Summary (MBSS), which breaks costs down by service.

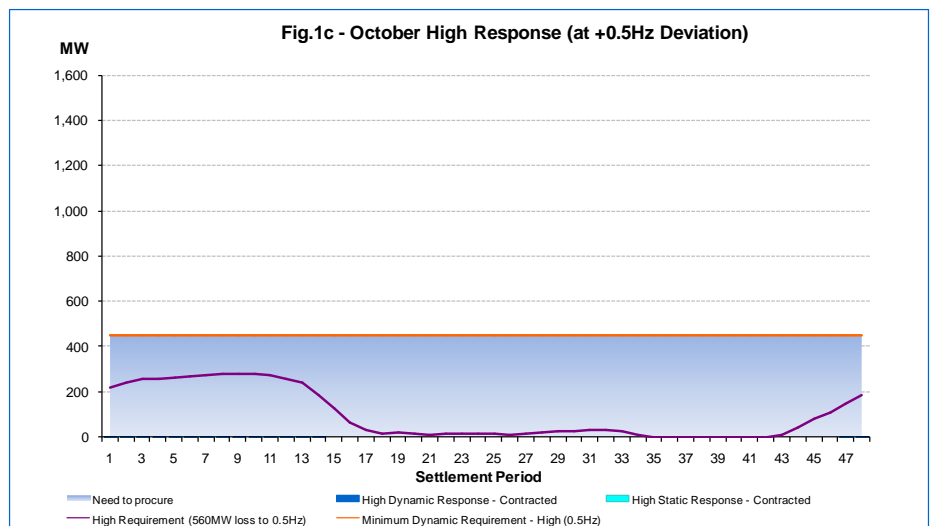
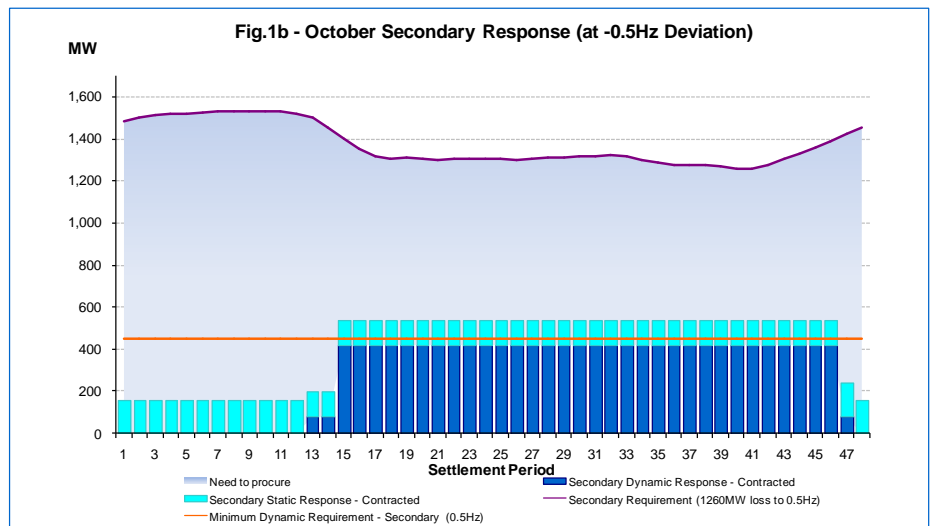
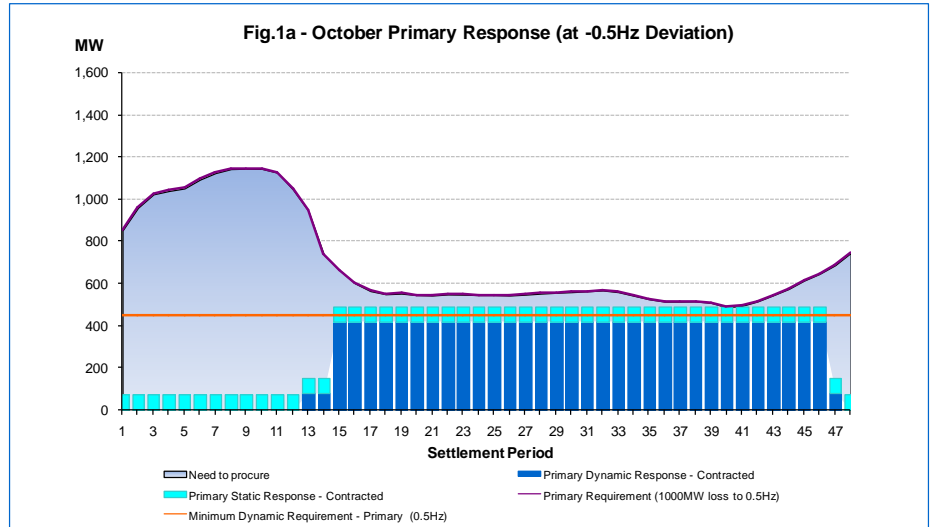
<http://www2.nationalgrid.com/UK/Industry-information/Electricity-transmission-operational-data/Report-explorer/Services-Reports/>

October-15 Requirement

The figures on this page show the amount of existing contracted response capability available by Settlement Period, against the minimum dynamic requirement and the total overall requirement. The remaining requirement is the grey/blue shaded area. NGET will look to fill this requirement via contracts ahead of time or in real-time via the mandatory market.

Key points

- The response requirement for each type is greater overnight.
- Greater preference is given to secondary response. More secondary response is required than primary or high response
- For both primary and secondary response the total requirement is greater than the minimum dynamic requirement. This means a Static service could help meet the total requirement.
- For high response the minimum dynamic requirement is greater than the requirement. This means a Static service would not help meet the requirement.

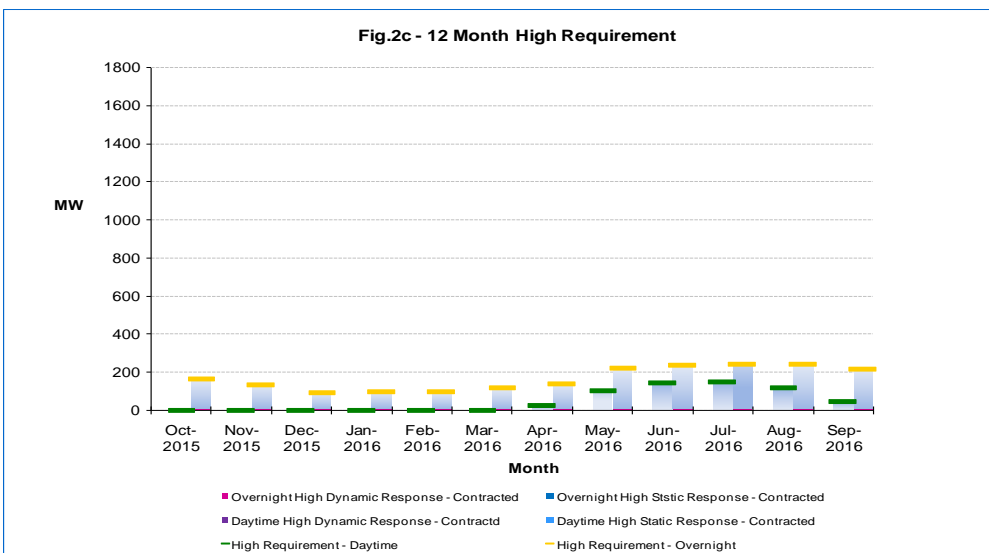
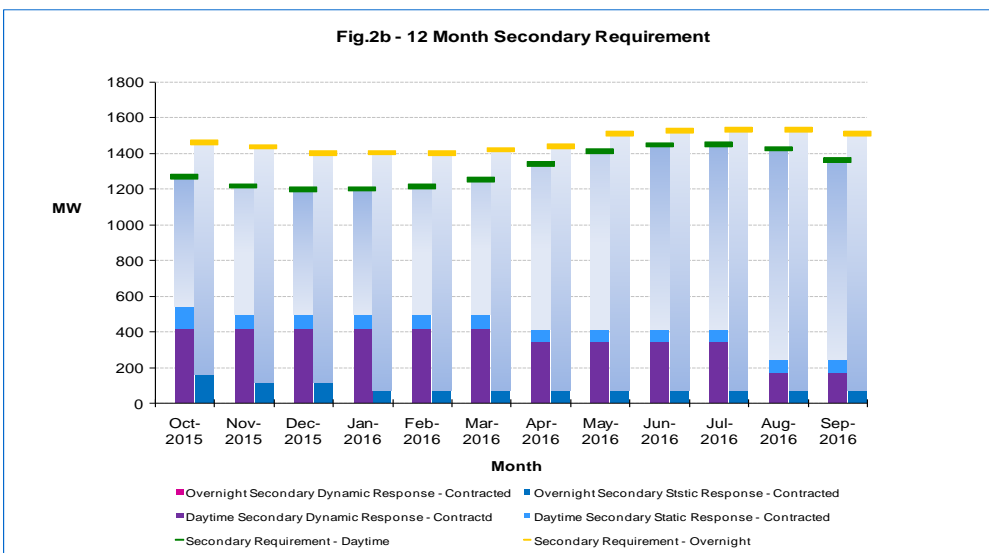
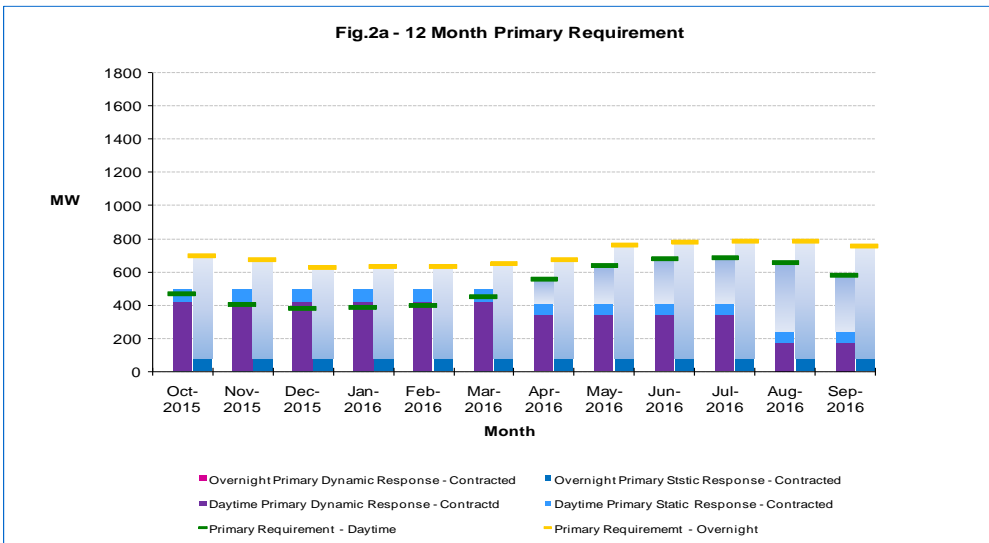


12-Month Requirement

The following charts contain similar information to the monthly requirements above but extends it over the next 12 months. The charts provide an estimate of the response requirements by day/night, and includes information on existing contracts. The grey/blue shaded area is the approximate response that will need to be procured. The minimum dynamic requirement for primary, secondary and high response over the 12 month period is 450MW.

Key points

- The response requirement is greater during the summer than winter.
- The response requirement is greater overnight than during the daytime
- The secondary response requirement is greater than primary or high requirements throughout the year
- The primary and secondary response requirements are greater than the minimum dynamic throughout the year. A static response service could therefore be beneficial in meeting the total requirement.
- For High frequency response, the minimum dynamic response (450MW) is greater than the requirement throughout the year. A static response service would not be beneficial in meeting the requirement.



Requirement Tables

The following tables state the predicted amount, in MW, of response we need to procure in the future.

September requirement:

Settlement Period	Amount required (MW)		
	Primary	Secondary	High
1	781	1,318	214
2	889	1,340	239
3	953	1,352	252
4	969	1,354	255
5	981	1,356	257
6	1023	1,363	265
7	1054	1,366	269
8	1073	1,369	273
9	1075	1,370	273
10	1074	1,370	273
11	1056	1,367	269
12	976	1,355	256
13	794	1,299	236
14	586	1,253	182
15	173	862	128
16	110	810	68
17	73	779	32
18	58	766	18
19	61	769	21
20	54	763	14
21	52	761	12
22	57	766	17
23	56	765	16
24	54	763	14
25	54	763	14
26	52	761	12
27	56	765	16
28	61	768	20
29	65	772	25
30	68	775	28
31	72	778	31
32	76	781	35
33	68	774	27
34	51	761	12
35	34	747	0
36	23	737	0
37	23	737	0
38	24	738	0
39	17	732	0
40	-4	715	0
41	3	720	0
42	24	738	0
43	53	762	13
44	83	787	42
45	123	820	80
46	155	847	111
47	536	1,179	145
48	674	1,293	184

12 month requirement

Daytime	Amount required (MW)		
	Primary	Secondary	High
Oct-2015	0	729	0
Nov-2015	0	720	0
Dec-2015	0	700	0
Jan-2016	0	705	0
Feb-2016	0	717	0
Mar-2016	0	757	0
Apr-2016	139	924	22
May-2016	223	994	102
Jun-2016	266	1,030	143
Jul-2016	272	1,035	150
Aug-2016	410	1,179	119
Sep-2016	334	1,116	47

Overnight	Amount required (MW)		
	Primary	Secondary	High
Oct-2015	624	1,299	156
Nov-2015	596	1,319	129
Dec-2015	552	1,283	87
Jan-2016	557	1,329	92
Feb-2016	555	1,327	90
Mar-2016	576	1,345	111
Apr-2016	601	1,365	134
May-2016	684	1,435	213
Jun-2016	702	1,450	231
Jul-2016	708	1,455	236
Aug-2016	710	1,456	238
Sep-2016	682	1,433	212

If you have any queries, suggestions or feedback on the content or format of the new report please contact your account manager or steven.lam@nationalgrid.com