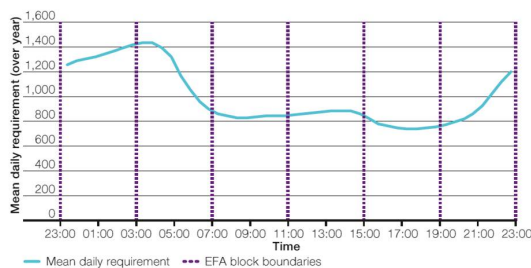


nationalgrid

Future of Balancing Services - July

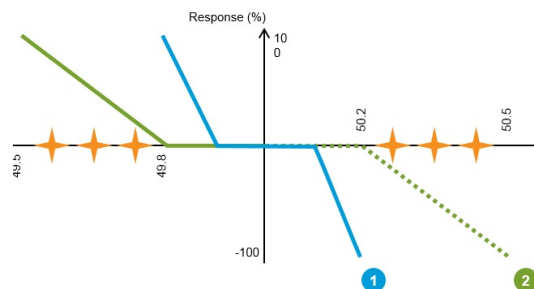
A quick snapshot of how we are progressing against our commitments to reforming our balancing services products and markets, as detailed in the Product Roadmaps. We will publish these updates monthly on our Future of Balancing Services website.

Please give us your feedback! Is this newsletter useful? What do you want to hear more of? Let us know via email at box.futureofbalancingservices@nationalgrid.com



Market Standardisation

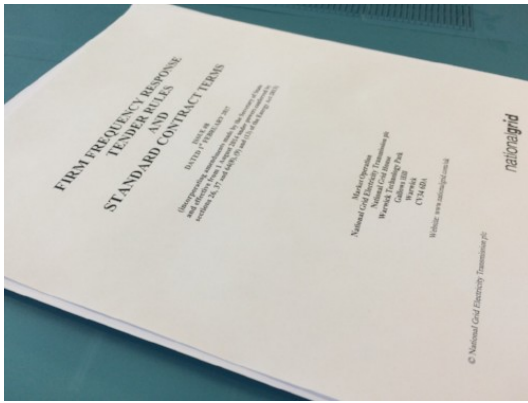
The June FFR tender was the first in which we bought response across a number of 6-monthly seasons as well as in 4-hourly blocks. There were a few administrative issues as everybody got used to the new format, but aside from these the tender was a success. Even with the limit of 2 tenders per unit we still received over 400 tenders, but thanks to the standardisation work this round was quicker and simpler to assess than previous tender rounds.



Fast-Acting Frequency Response

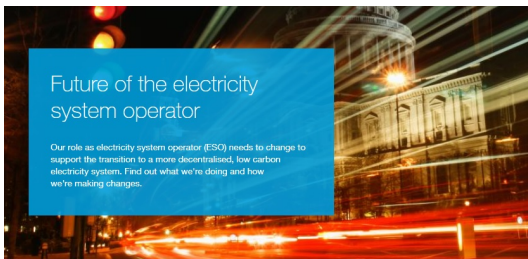
We have now published a video of the information discussed in the technical workshops, along with the slides. This can be found on the [Future Frequency Response](#) page.

We are continuing with our modelling and now looking at the interactions between the new response products and our existing reserve products.



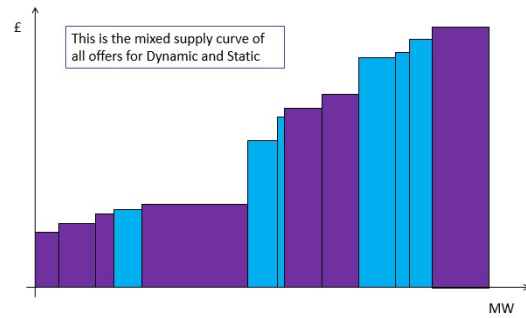
Contract Simplification

The FFR Outline Change Proposal (OCP) was published for consultation in June, and contained a draft simplified version of the Standard Contract Terms (SCTs). The main proposal is to bring together the different sections for different products into a single product description section, which should aid clarity.



Legal Separation

In advance of legal separation of the Electricity System Operator (ESO) business from the rest of National Grid in April 2019, you will see a change to the National Grid website over the next few months. This will involve moving the ESO pages to a new dedicated website, and migrating content over. We will keep you up to date as plans are firmed up.



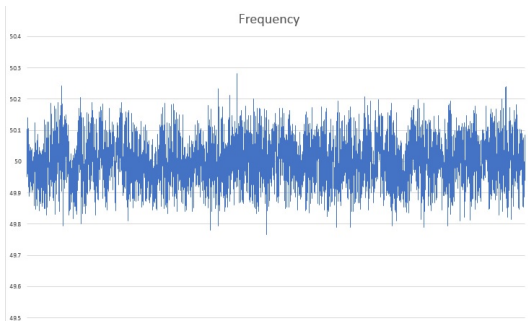
Frequency Response Auction Trial

We have sanctioned the auction trial project and are now finalising the contract with the selected platform provider. We will be publishing a detailed description of what the trial will look like and how it will work in July. This has taken some time due to the complexity of the functionality that will be included, however we believe that moving to auctions is an important step forward and needs to be done right. Our modelling and assessment teams are currently working on a redesigned hedging strategy for frequency response which will inform the size of the volume that will be bought through the trial and how it will impact the FFR requirement.



Videos

We have just launched our [European Network Codes Communication Plan](#) – one place for you to find out how you can learn about, shape and manage the European Network Code implementation in GB. We are setting up a series of webinars and podcasts to provide clarity and awareness of the work being



Frequency Data

During the development of the Enhanced Frequency Response tender we uploaded a few years' worth of historical frequency data at 1s resolution. Feedback from parties in the industry has been that this was very useful, so we have created a dedicated webpage for it which we will be keeping up to date throughout the year. The page can be found through the link on our [frequency response webpage](#).

conducted and to cut through the complexity.

There will be a series of seven videos published throughout July on the European Connection Codes: Requirements for Generators (RfG), High Voltage Direct Current, and the Demand Connection Code. This [Introductory Video](#) briefly explains what the Connection Codes are, who they affect and what the series of videos will cover.



Copyright © 2018 National Grid, All rights reserved.

Our mailing address is:

National Grid
Gallows hill
Warwick, Warwickshire Cv34 6da
United Kingdom

[Add us to your address book](#)