Firm Frequency Response Market Information for June-15

Monthly Report

Published April 2015

Please note that the layout of this report has changed to make our requirements clearer.

Key points

This Market Information Report is relevant for **tenders submitted in May for delivery in June.**

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

National Grid will notify service providers of the outcome of the tender assessment by **Monday 18th of May 2015** (12th business day).

For successful tenders, National Grid will notify nominated windows, following assessment by **Monday 18th of May 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 April 2015, we received 18 FFR tenders for delivery to start in May. 14 tenders were from BM units and 4 from a non-BM unit. 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.

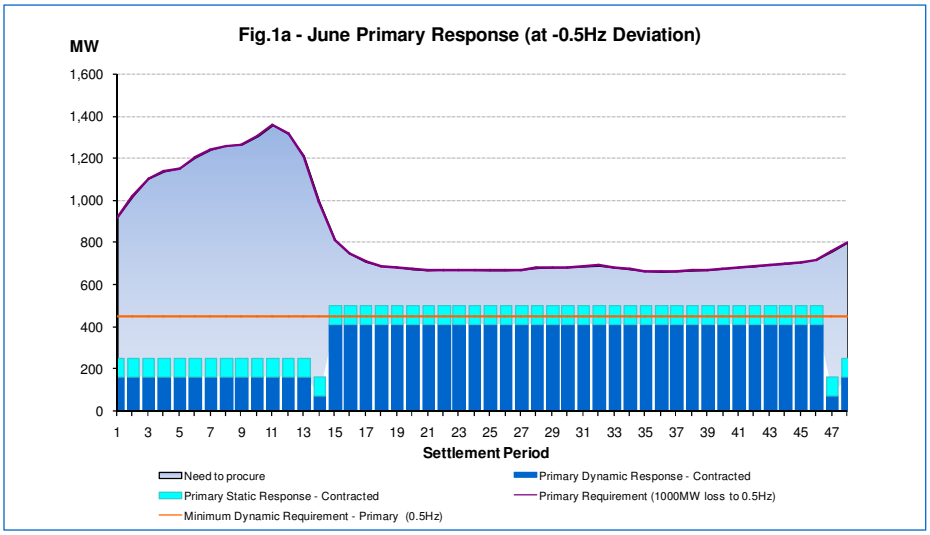
http://www2.nationalgrid.com/UK/Industry-information/Electricity-transmission-operational-data/Report-explorer/Services-Reports/

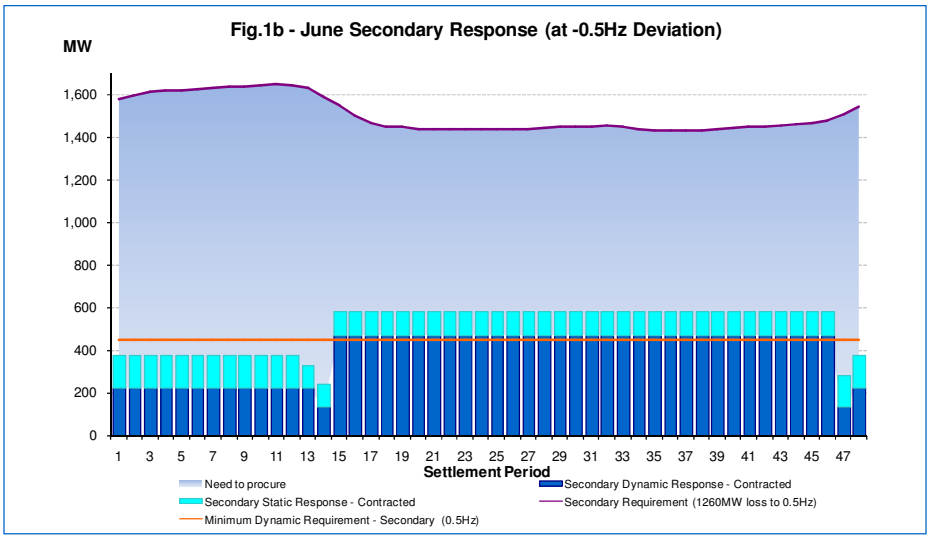
June-15 Requirement

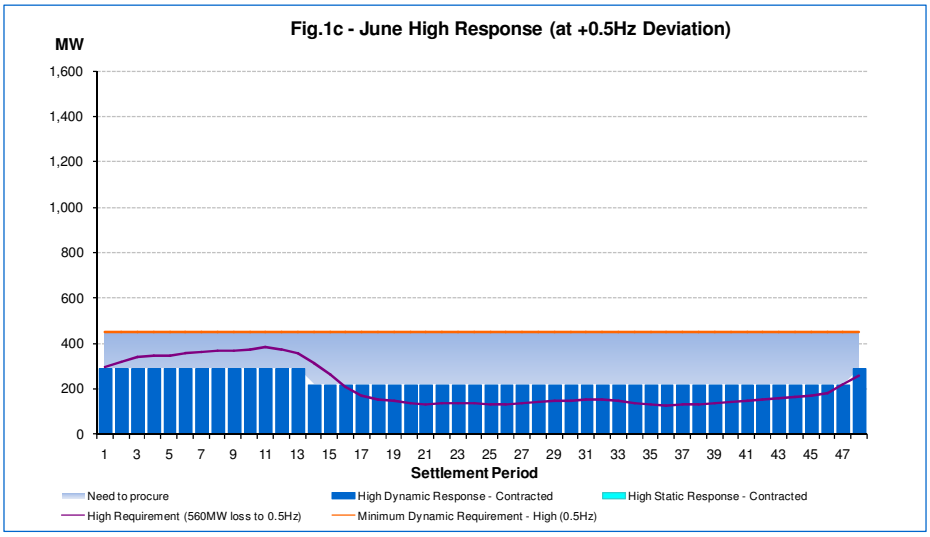
The figures on this page show the amount of existing contracted response capability available by Settlement Period, against the minimum dynamic requirement and the total overall requirement.
The remaining requirement is the grey/blue shaded area. NGET will look to fill this requirement via contracts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

Key points

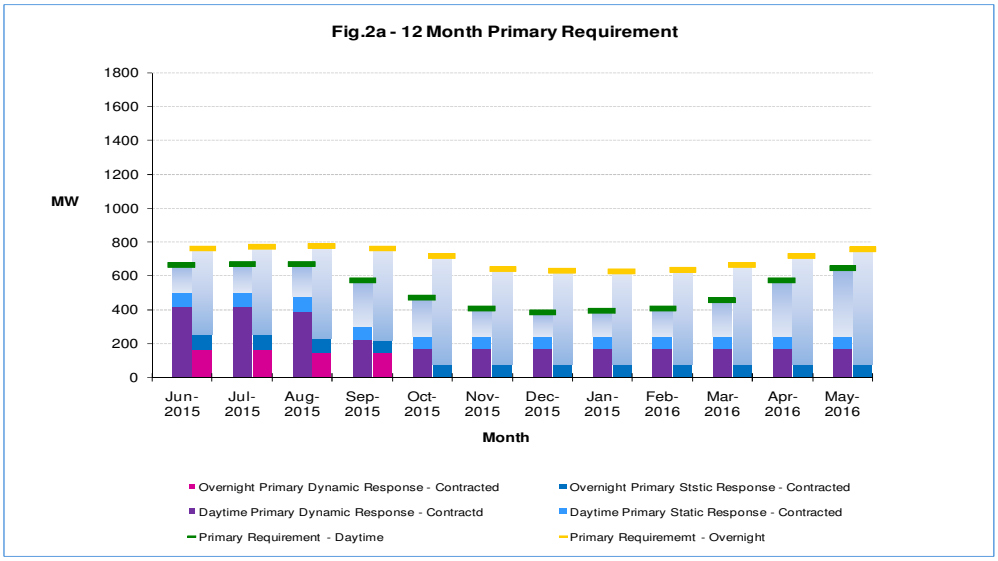
- The response requirement for each type is greater overnight.
- Greater preference is given to secondary response. More secondary response is required than primary or high response
- For both primary and secondary response the total requirement is greater than the minimum dynamic requirement. This means 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.

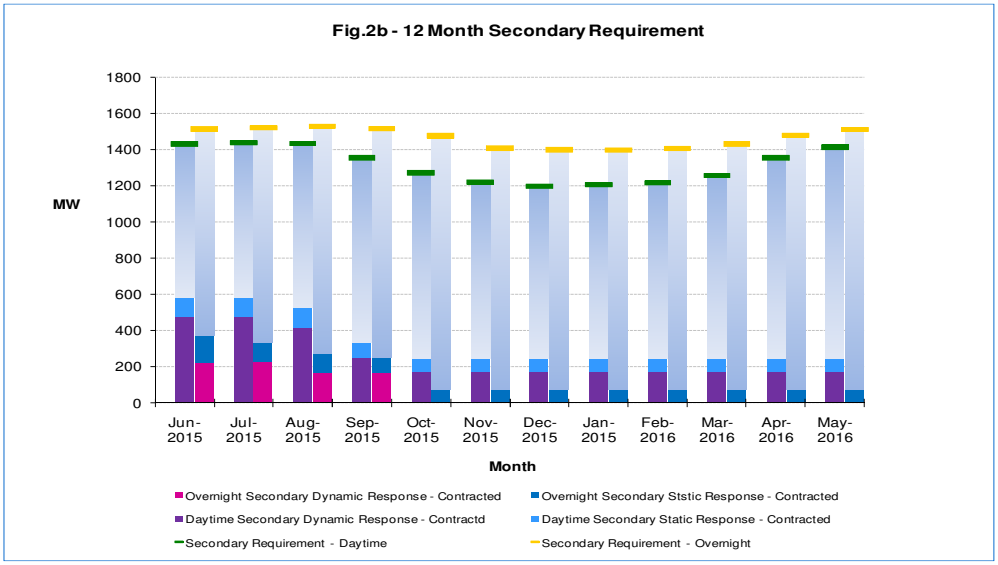


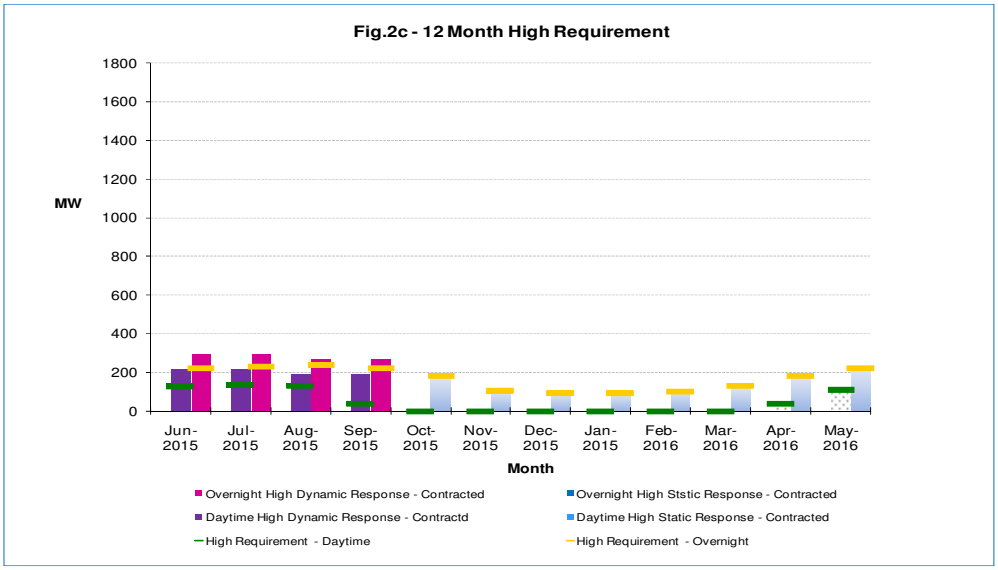




12-Month Requirement







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.

May requirement:

Settlement Period	Amount required (MW)		
	Primary	Secondary	High
1	668	1,202	6
2	769	1,223	30
3	852	1,239	48
4	885	1,244	55
5	900	1,247	58
6	950	1,253	65
7	989	1,259	72
8	1008	1,262	75
9	1013	1,263	76
10	1051	1,268	82
11	1106	1,276	92
12	1063	1,270	84
13	960	1,297	67
14	834	1,348	92
15	312	966	44
16	243	917	0
17	206	886	0
18	186	869	0
19	181	865	0
20	170	856	0
21	166	853	0
22	169	855	0
23	169	855	0
24	168	854	0
25	166	853	0
26	166	852	0
27	169	855	0
28	177	862	0
29	180	864	0
30	181	866	0
31	185	869	0
32	188	871	0
33	180	865	0
34	170	856	0
35	163	850	0
36	159	847	0
37	161	848	0
38	164	851	0
39	168	855	0
40	173	858	0
41	181	866	0
42	185	869	0
43	193	875	0
44	197	879	0
45	205	885	0
46	217	895	0
47	596	1,225	0
48	548	1,170	0

12 month requirement

Daytime	Amount required (MW)		
	Primary	Secondary	High
Jun-2015	161	849	0
Jul-2015	168	855	0
Aug-2015	188	909	0
Sep-2015	275	1,021	0
Oct-2015	226	1,026	0
Nov-2015	162	973	0
Dec-2015	137	952	0
Jan-2015	146	959	0
Feb-2016	161	971	0
Mar-2016	209	1,011	0
Apr-2016	325	1,108	38
May-2016	398	1,168	108

Overnight	Amount required (MW)		
	Primary	Secondary	High
Jun-2015	508	1,137	0
Jul-2015	518	1,187	0
Aug-2015	549	1,251	0
Sep-2015	546	1,260	0
Oct-2015	643	1,401	175
Nov-2015	564	1,335	99
Dec-2015	554	1,326	89
Jan-2015	550	1,324	86
Feb-2016	561	1,332	96
Mar-2016	590	1,357	124
Apr-2016	644	1,402	176
May-2016	684	1,435	214

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