Firm Frequency Response Market Information for May-15

Monthly Report

Published March 2014

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 April for delivery in May.**

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

National Grid will notify service providers of the outcome of the tender assessment by **Monday 20th of April 2015** (12th business day).

For successful tenders, National Grid will notify nominated windows, following assessment by **Monday 20th of April 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 March 2015, we received 12 FFR tenders for delivery to start in April. 11 tenders were from BM units and 1 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.

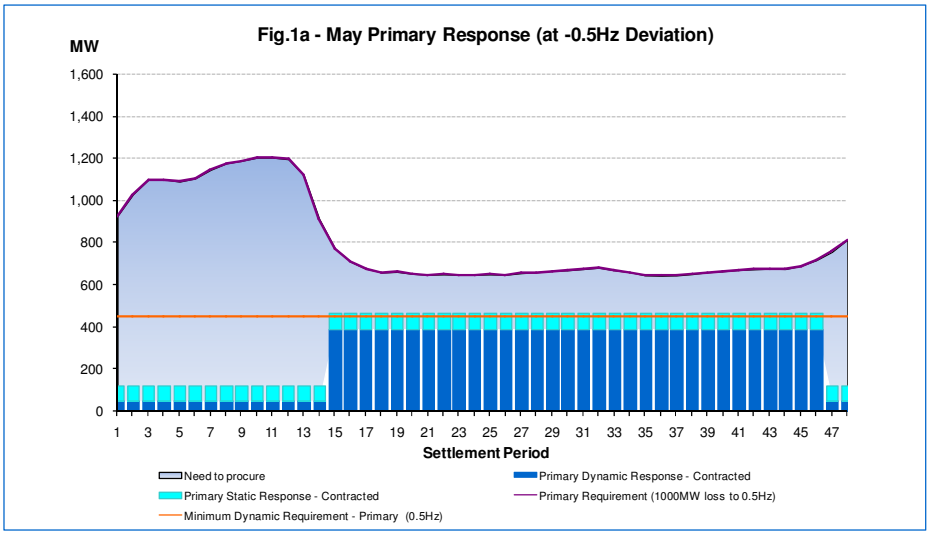
http://www2.nationalgrid.com/UK/Industry-information/Electricity-transmission-operational-data/Report-explorer/Services-Reports/

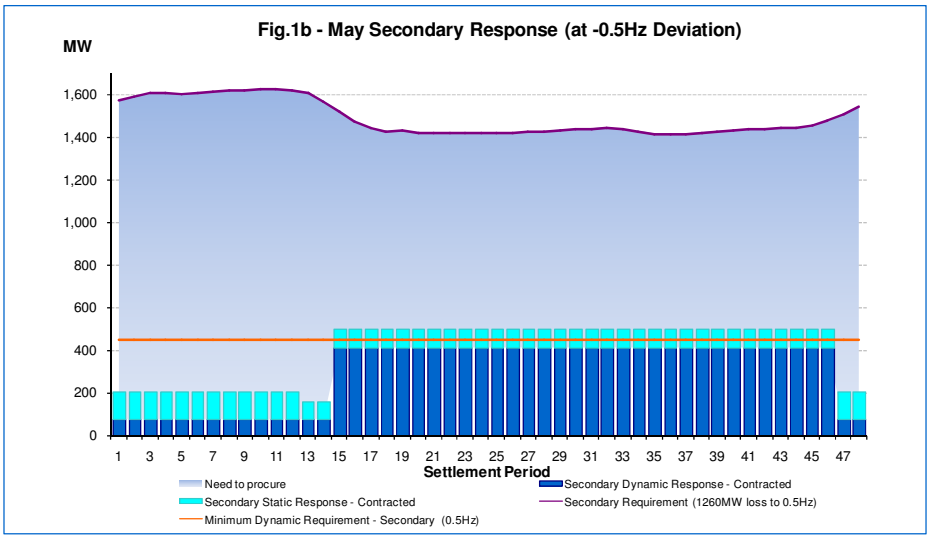
May-15 Requirement

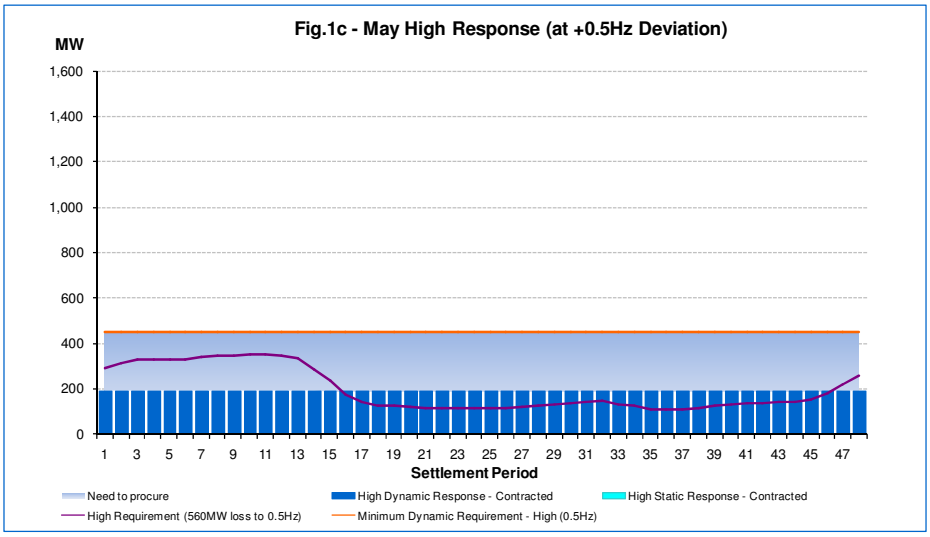
The figures on this page show the amount of existing contracted response capability available by Settlement Period, against the minimum dynamic requirement and the total overall requirement.
The remaining requirement is the grey/blue shaded area. NGET will look to fill this requirement via contracts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

Key points

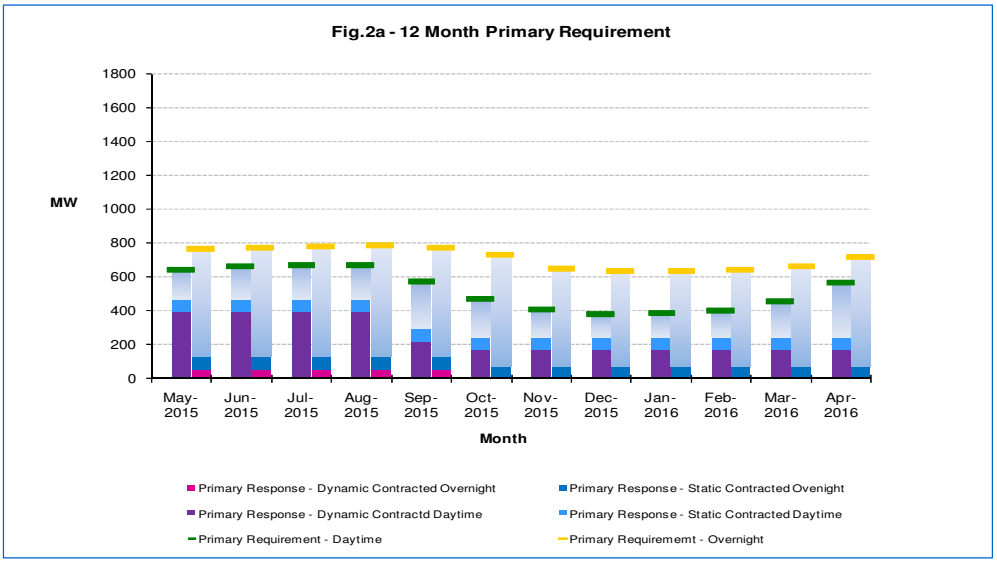
- The response requirement for each type is greater overnight.
- Greater preference is given to secondary response. More secondary response is required than primary or high response
- For both primary and secondary response the total requirement is greater than the minimum dynamic requirement. This means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

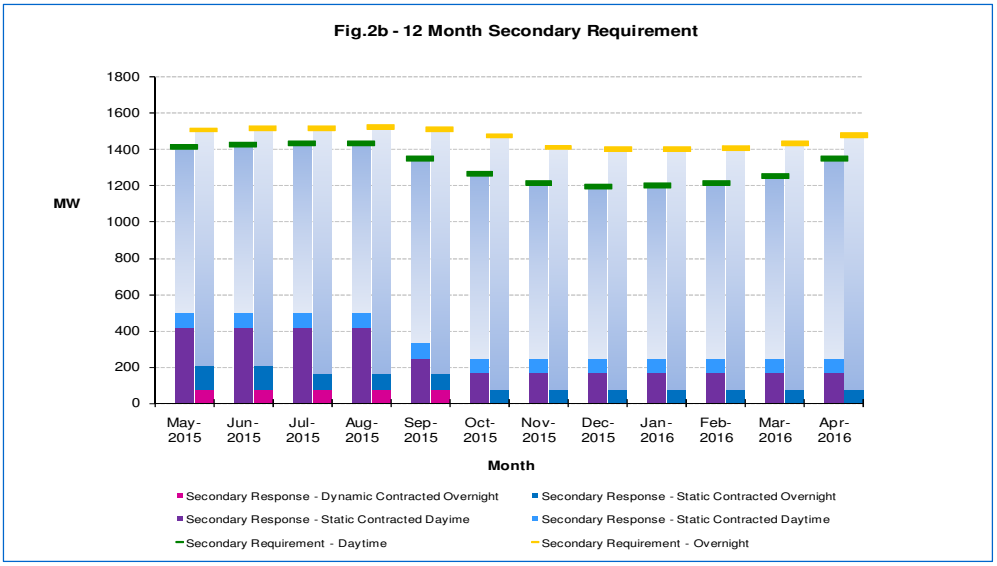


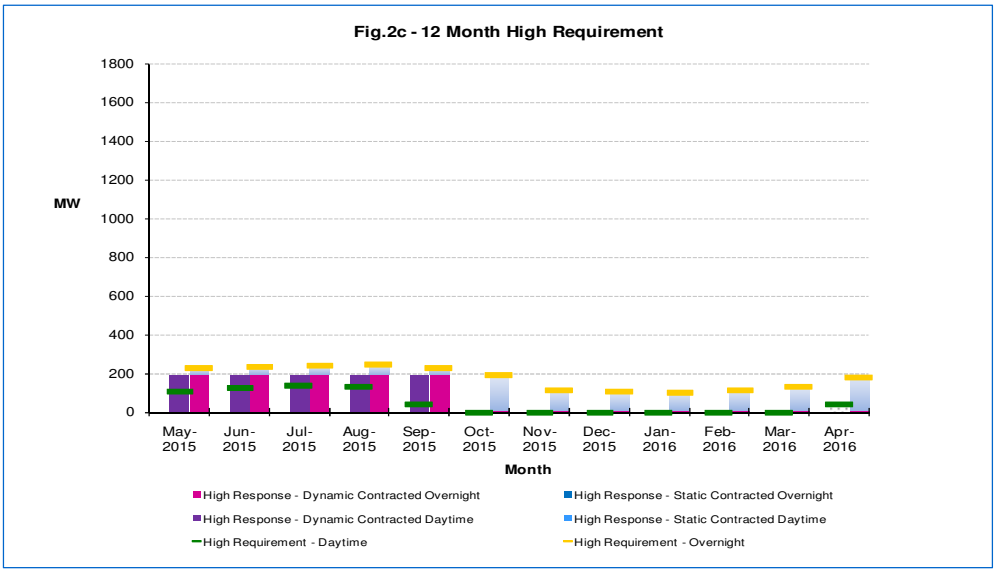




12-Month Requirement







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 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	801	1,367	96
2	904	1,389	121
3	975	1,402	135
4	975	1,402	135
5	965	1,400	133
6	980	1,403	136
7	1020	1,410	145
8	1051	1,415	150
9	1063	1,417	152
10	1079	1,419	155
11	1079	1,419	155
12	1071	1,418	154
13	994	1,447	139
14	787	1,406	92
15	308	1,020	44
16	245	968	0
17	211	939	0
18	194	925	0
19	197	928	0
20	187	919	0
21	182	915	0
22	184	917	0
23	183	916	0
24	183	916	0
25	184	917	0
26	182	916	0
27	190	922	0
28	195	926	0
29	201	931	0
30	204	934	0
31	210	938	0
32	216	944	0
33	204	933	0
34	194	925	0
35	180	914	0
36	178	912	0
37	180	913	0
38	186	919	0
39	194	925	0
40	200	930	0
41	205	934	0
42	209	938	0
43	212	940	0
44	210	939	0
45	225	951	0
46	253	974	0
47	631	1,304	23
48	690	1,340	65

12 month requirement

Daytime	Amount required (MW)		
	Primary	Secondary	High
May-2015	178	912	0
Jun-2015	197	928	0
Jul-2015	204	934	0
Aug-2015	200	931	0
Sep-2015	275	1,021	0
Oct-2015	226	1,026	0
Nov-2015	162	973	0
Dec-2015	137	952	0
Jan-2016	146	959	0
Feb-2016	160	971	0
Mar-2016	209	1,011	0
Apr-2016	325	1,108	38

Overnight	Amount required (MW)		
	Primary	Secondary	High
May-2015	640	1,304	31
Jun-2015	649	1,312	40
Jul-2015	652	1,356	43
Aug-2015	660	1,363	50
Sep-2015	644	1,350	35
Oct-2015	654	1,401	185
Nov-2015	575	1,335	109
Dec-2015	564	1,326	99
Jan-2016	561	1,324	96
Feb-2016	571	1,332	106
Mar-2016	590	1,357	124
Apr-2016	644	1,402	176