

Fast Reserve Post Assessment WebEx July-18



21 June 2018

Introduction

■ This WebEx:

- Relates to the results of the July-18 Fast Reserve tender round that were published on the website on the 19th July 2018.
- Provides you all with some more detailed feedback to ensure all suppliers are getting the same level of information.

Representatives

Person	Responsibility
Rachel Turner	Structuring & Optimisation Manager
Nisha Doshi	Ancillary Services Analyst
Holly Lake	Fast Reserve Service Lead/Account Manager

Agenda

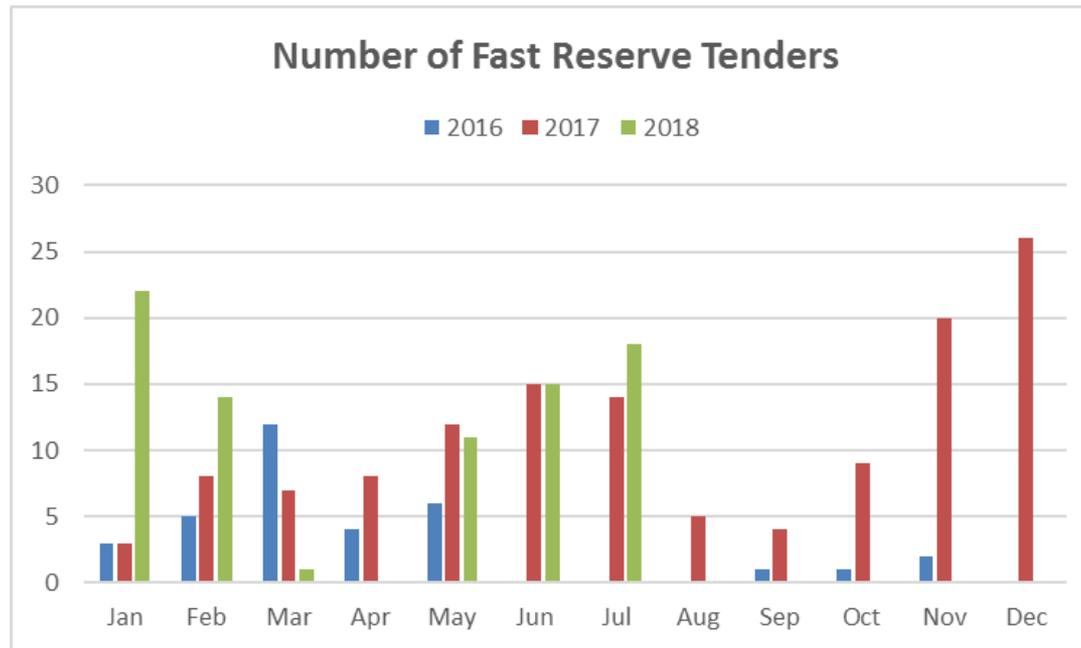
1. Requirement
2. Overview of Tenders
3. Assessment
4. Rejection Reason Codes
5. Results
6. Ad-hoc tender for September 2018
7. Next tender round
8. New Tender Submission Form
9. Feedback
10. Questions

1. Requirement



“In July-18 tender round we will look to procure Fast Reserve volume from November-18 to March-19 inclusive.”

2. Overview of Tenders



- 18 tenders received in July-18
 - 5 Providers
 - 7 units
- Tenders varied in price, volume, windows and duration.

3. Assessment

■ Step 1

- Tenders are evaluated against the cost of obtaining an equivalent service in the optional market.
- This accounts for, type of service delivered, duration of tender and availability window.
 - The costs of any periods of unavailability are assessed.
 - Any periods with availability beyond the Fast Reserve window will be valued based on the relevant parameters outside these windows.

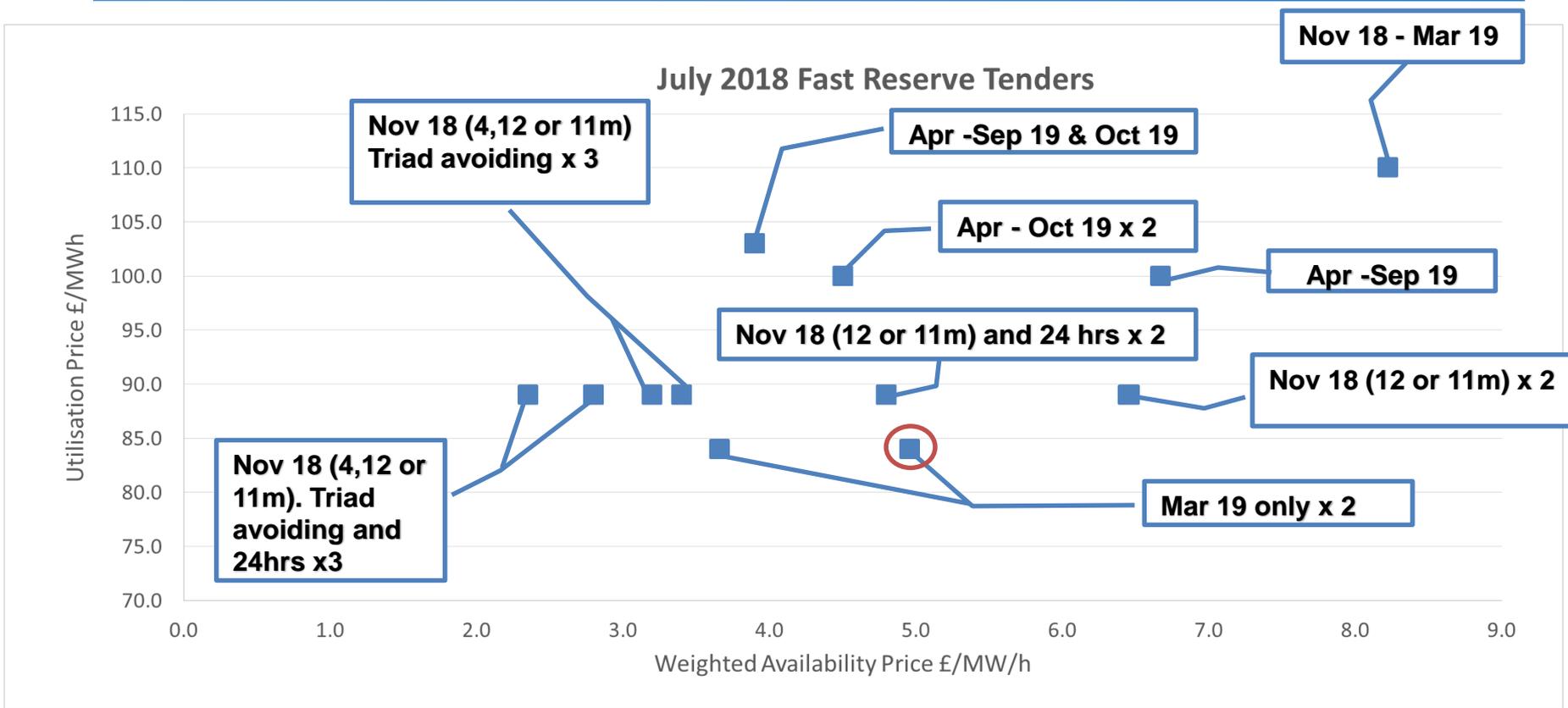
■ Step 2

- Tenders are stacked in terms of benefit delivered against any outstanding requirement.

■ Step 3

- Where applicable, any possible over holding is also accounted for in the assessment.

3. Assessments



4. Rejection Reason Code 5

Company	Unit	Date_From	Date_To	Time of Day	MW	Avail_Fee £/h	Posit_Fee £/h	Firm_Energy £/MWh
UKPR	AGCR2	01/11/2018	31/10/2019	Mon-Fri 06:00 to 23:30 Sat, Sun&BHs 07:00 to 23:30	60	387		89

- While tenders were assessed as beneficial they led to overholding against the requirement or against the procurement strategy.

4. Rejection Reason Code 4

Company	Unit	Date_From	Date_To	Time of Day	MW	Avail_Fee £/h	Posit_Fee £/h	Firm_Energy £/MWh	Rejection Reason code
Peak Gen	PFGS-1	01/04/2019	30/09/2019	Mon-Fri 07:00 to 23:00 Sat, Sun&BHs 07:00 to 23:00	60	234		103	4
Peak Gen	PFGS-1	01/10/2019	31/10/2019	Mon-Fri 07:00 to 23:00 Sat, Sun&BHs 07:00 to 23:00	60	234		103	4
Scottish Power	CRUA-4	01/04/2019	30/09/2019	Mon-Fri 06:00 to 23:30 Sat, Sun & BHs 07:00 to 23:30	100	333	334	100	4
First Hydro	FFES-3	01/11/2018	31/03/2019	Mon-Fri 06:00 to 23:00 Sat 06:00 to 23:00 Sun & BHs 07:00 to 23:00	90	370	370	110	4
Plutus Power	PLUTFFR-1	01/04/2019	31/10/2019	Mon-Fri 07:00 to 23:00 Sat, Sun&BHs 07:00 to 23:00	120	540		100	4
UKPR	AGCR6	01/11/2018	28/02/2019	Nov to Feb - Mon-Fri 05:00 to 16:30 Nov to Feb - Mon-Fri 19:30 to 04:59 Mar to Oct - Mon-Fri 05:00 to 04:59 Sat, Sun & BHs 05:00 to 04:59	80	188		89	4

- While tenders were assessed as beneficial these bids were lower in the stack. Only the most beneficial tenders were considered against our procurement strategy.

4. Rejection Reason Code 3

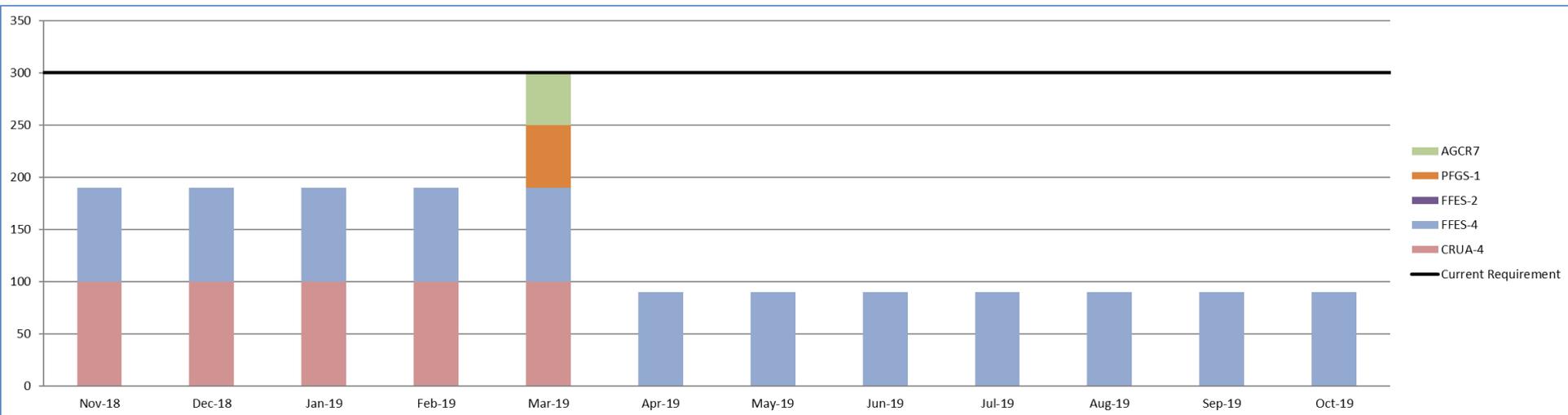
Company	Unit	Date_From	Date_To	Time of Day	MW	Avail_Fee £/h	Posit_Fee £/h	Firm_Energy £/MWh	Rejection Reason code
Plutus Power	PLUTFFR-1	01/04/2019	31/10/2019	Mon-Fri 07:00 to 23:00 Sat, Sun&BHs 07:00 to 23:00	70	315		100	3
UKPR	AGCR2	01/11/2018	31/10/2019	Nov to Feb - Mon-Fri 06:00 to 16:30 Nov to Feb - Mon-Fri 19:30 to 23:30 Mar to Oct - Mon-Fri 06:00 to 23:30 Sat, Sun & BHs 07:00 to 23:30	60	204		89	3
UKPR	AGCR2	01/11/2018	31/10/2019	Mon-Fri 05:00 to 04:59 Sat, Sun & BHs 05:00 to 04:59	60	288		89	3
UKPR	AGCR2	01/11/2018	31/10/2019	Nov to Feb - Mon-Fri 05:00 to 16:30 Nov to Feb - Mon-Fri 19:30 to 04:59 Mar to Oct - Mon-Fri 05:00 to 04:59 Sat, Sun & BHs 05:00 to 04:59	60	168		89	3
UKPR	AGCR6	01/11/2018	28/02/2019	Nov to Feb - Mon-Fri 06:00 to 16:30 Nov to Feb - Mon-Fri 19:30 to 23:30 Mar to Oct - Mon-Fri 06:00 to 23:30 Sat, Sun & BHs 07:00 to 23:30	80	256		89	3
UKPR	AGCR7	01/11/2018	31/10/2019	Mon-Fri 06:00 to 23:30 Sat, Sun&BHs 07:00 to 23:30	50	323		89	3
UKPR	AGCR7	01/11/2018	31/10/2019	Nov to Feb - Mon-Fri 06:00 to 16:30 Nov to Feb - Mon-Fri 19:30 to 23:30 Mar to Oct - Mon-Fri 06:00 to 23:30 Sat, Sun & BHs 07:00 to 23:30	50	170		89	3
UKPR	AGCR7	01/11/2018	31/10/2019	Mon-Fri 05:00 to 04:59 Sat, Sun & BHs 05:00 to 04:59	50	240		89	3
UKPR	AGCR7	01/11/2018	31/10/2019	Nov to Feb - Mon-Fri 05:00 to 16:30 Nov to Feb - Mon-Fri 19:30 to 04:59 Mar to Oct - Mon-Fri 05:00 to 04:59 Sat, Sun & BHs 05:00 to 04:59	50	140		89	3
UKPR	AGCR7	01/03/2019	31/03/2019	Mon-Fri 05:00 to 04:59 Sat, Sun & BHs 05:00 to 04:59	50	183		84	3

- For mutually exclusive tenders only the most valuable were considered.

5. Results

- One tender was accepted for March-19 only. It offered us the highest benefit and partially satisfied the requirement given in August-2018 Market Information Report

Tender Ref	Company	Unit	Date_From	Date_To	Time of Day	MW	Avail_Fee £/h	Posit_Fee £/h	Firm_Energy £/MWh
180717	UKPR	AGCR7	01/03/2019	31/03/2019	Mon-Fri 06:00 to 23:30 Sat, Sun&BHs 07:00 to 23:30	50	248		84



6. Ad-hoc tender for September 18

- Tender submission forms have now been sent out.
 - Deadline is Wednesday 1st August 2018 at 17:00
 - Results on Thursday 16th August

- Requirement is 180 MW from 13th September to 30th September (inclusive). Fast Reserve Window remains unchanged:
 - Mon- Fri 06:00 to 23:30
 - Sat, Sun and BHs 07:00 to 23:30

7. Next tender round, August-18

■ **August-18 Tender Round**

- Procuring volume for delivery from September-18.
- Tender submission date of Wednesday 1st August 2018 at 17:00.
- Tenders must use the latest submission form to be compliant.
- Providers must have proved Fast Reserve delivery to our satisfaction.

■ **Market Information Report**

- The Market Information Report will be released by Wednesday 25th July.
- Please note we will give further detail about the periods we are looking to procure volume.

8. New Tender Submission Form

Fast Reserve Tender Submission			Nov-2018	Dec-2018	Jan-2019
			Tendered BM Unit	Tendered BM Unit	Tendered BM Unit
Contracted Unit					
TO connection / DNO connection			TO connection		
Generation Type			Diesel		
Base Parameters (apply to all units contracted)					
MW Delivery or MW Delivery Profile or Enhancements to Contracted MW or Contracted MW Profile (BM and Non BM)			50		
Response time /min - not to be used in the assessment			2		
Run up rate (MW/min) - not to be used in the assessment			25		
Run down rate (MW/min) - not to be used in the assessment			25		
Tendered Service Periods (per Operational Day Type)					
Mondays – Fridays (05.00 hours to 05.00 hours)	Window	From; To;	06:00 23:30		
Saturdays (05.00 hours to 05.00 hours)	Window	From; To;	07:00 23:30		
Sundays/Bank Holidays (05.00 hours to 05.00 hours)	Window	From; To;	06:00 23:30		
Total tendered hours in month					
Maximum tendered volume in month (MWh)					
Utilisation Restrictions					
Times and/or dates of unavailability within Tendered Service Periods			n/a		
Maximum energy utilisation / MWh	per Settlement Period	leave blank if period non relevant	50		
	per Operational Day				
	per Tendered Service period (i.e. tendered window)				
Maximum number of utilisations of Firm Fast Reserve	per Settlement Period	leave blank if period non relevant	2		
	per Operational Day				
	per Tendered Service period (i.e. tendered window)				
Minimum Zero Time	Recovery period after delivery of Fast Reserve instruction		2		
Minimum Non Zero Time	Minimum commitment time from when units generation above 0 MW		2		
Firm Service Fees					
Availability Fee (£/hr)			200		
Positional Fee (£/hr)			200		
Window Initiation Fee (£/Firm Fast Reserve Window)			0		
Capped Bid-Offer Price (£/MWh)			100		
Do you wish to be accepted for partial acceptance (Yes/No)					

8. New Tender Submission Form

- **The Date in row 2 - please submit the first calendar day of each month for every month of the tender.**
- **Please select the appropriate Connection and Generation type from the drop down menu. This is for information only.**
- **MW Volume of unit should be in number format only.**
- **Response time, run up and run down rate is for information only.**
- **Windows for Monday to Friday, Saturday and Sunday, please submit the start (From) and finish (To) times in 24h time format only e.g. 07:00 or 23:30.**
- **Total tendered hours in number format only – please make sure this is calculated correctly and includes any periods or times of unavailability.**
- **Times and dates of unavailability, is in free format. Please include any known outages.**

8. New Tender Submission Form

- **Maximum energy utilisation and Maximum number of utilisation of Firm Fast Reserve is in number format only. Please fill in the relevant period and leave anything not relevant blank.**
- **Minimum Zero Time in number format only. This is the recovery time after a Fast Reserve instruction has been ceased and finished delivery.**
- **Minimum Non Zero Time - This is the minimum time you require National Grid to sustain the service once delivery (above 0 MW) of an instruction has commenced.**
- **Firm service fees all in number format only**
 - **Availability and Positional fee is in £/h**
 - **Window initiation fee is in £/Firm Fast Reserve Window**
 - **Capped Bid-Offer Price is in £/MWh and is the Energy Utilisation Price for Fast Reserve.**
- **Partial acceptance, is either a “yes” if you wish to allow us to select individual months or “no” if it is an all or nothing tender.**

9. Feedback

- We value your feedback on these WebEx via the poll on the right.
- Following the feedback from last month we intend to add to the Fast Reserve section of the National Grid website:
 - information on Optional Fast Reserve; and
 - further information on the assessments and the decisions we make against our procurement strategy.

10. Questions

- Please ask your questions via the WebEx chat function
 - If we are unable to offer an answer to a question on the call, we will take it away and provide an answer back in writing to all those on the call.
- National Grid reserve the right to refuse to answer any questions deemed inappropriate.

10. Question and Answers

- Q1. How are you checking bidders for 2019 service will be compliant under latest generator emission controls, which will bite from 1 January 2019 if you win Grid services for 2019?
 - **Answer:** It's the providers responsibility to ensure they are complaint with all relevant legislation. If you have any specific concerns please contact your account manager or the relevant authority.

- Q2. Does the new form mean I would have to submit a full year bid as 12 separate months?
 - **Answer:** The format of the tender submission form has not changed structure. Only the columns on the left hand side have changed. You are still required to give all parameter for each month in separate columns.

10. Question and Answers

- Q3. Is the next tender round only for Nov-Feb, or will further out be considered?
 - **Answer:** Please refer to the Fast Reserve Market Information Report published on our website on 25th July.
- Q4. When are the plans for the snaps to change to 10MW likely?
 - **Answer:** We are still internally discussing the level of reduction to the Fast Reserve Caps size. We have not yet decided on what the level will be or when it will be implemented. We are have more information on the Fast Reserve Cap reduction in the Fast Reserve Outlined Change Proposal (OCP) due at the end of August 2018.