Fast Reserve Post Assessment WebEx

January-19



Introduction

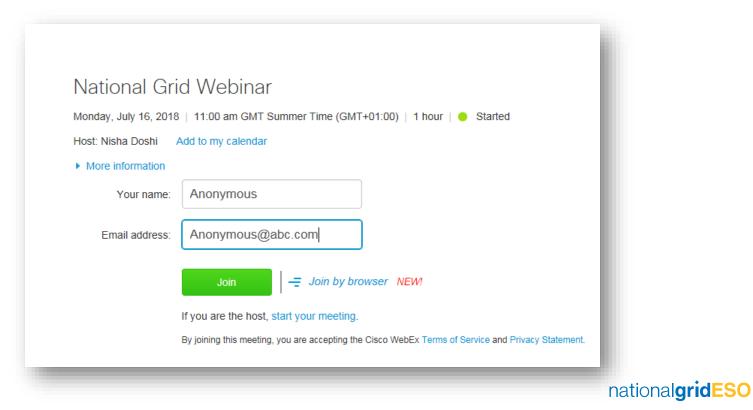
This WebEx:

- Relates to the results of the February FR tender round that were published on the website on the 18th January 2019
- Provides you with some more detailed feedback to ensure all suppliers are getting the same level of information.

During this webinar we will use WebEx to collect feedback about this session and other information we have provided. We would like to make you aware of the following:

- Any feedback that we collect will be anonymised.
- You can use an anonymous name and email address to login if you have any concerns.
- This information will only be used to improve the information we provide to you regarding the ancillary services.

Anonymous login example



3

If you would like to logout and login anonymously please do so now.

Thank you



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1. Fast Reserve Assessment

Step 1

- The forecasted cost of a tender are evaluated against the cost of obtaining an equivalent service in the optional market. This includes:
 - The cost of creating the equivalent reserve
 - The alternative utilisation cost
 - The cost of positioning units to offer fast acting reserve
- We account for the type of service delivered, duration of tender and availability window
 - Utilisation restrictions such as periods of unavailability and MNZT are factored into the forecasted contract cost.
 - Maximum utilisation volumes are accounted for in the forecasted utilisation volume
 - Windows with durations beyond the requirement are valued based on forecasts of potential utilisation volumes

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.

2.Fast Reserve Requirement

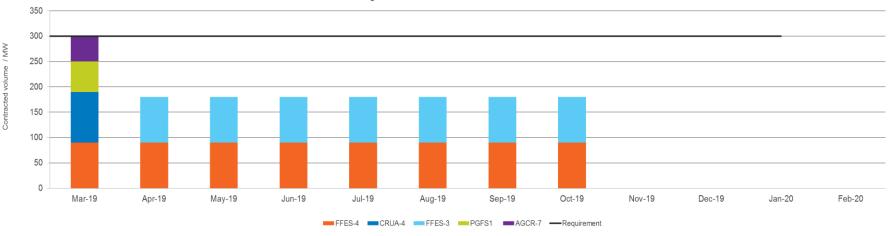


Fig 1. Contracted Firm Fast Reserve

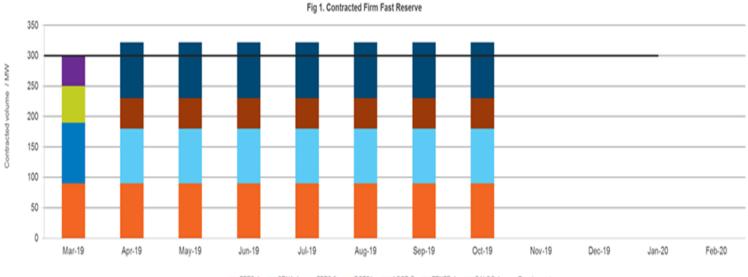
'It is intended to consider procuring volume to be delivered between April 2019 and October 2019.'

3. Overview of tenders

Tendered Unit	Tendered Period		Tendered Window	Length /months	Average Availability fee £/h	Average Positional fee £/h	Utilisation Fee (£/MWh)	FR volume/MW	MWh limit /per operational day	Max Utilisations / per operational day	
ZENFR-1 B	01-Apr-19	31-Oct-19	Mon-Fri 06:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	7	April - June 165 July - Sept 140 Oct - 110	0.00	99.00	50 50.00		0.00	
ZENFR-1 A	01-Apr-19	31-Oct-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	7	April - June 160 July - Oct 110	0.00	99.00	50	50.00	0.00	
BALOO-1 A	01-Apr-19	31-Oct-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	7	April - July 276 Aug - Sept 246 Oct - 276	0.00	0.00 94.00		0.00	0.00	
AGCR2 A	01-Apr-19	31-Oct-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	7	196.20	0.00	0.00 93.00		0.00	15.00	
AGCR2 B	01-Apr-19	30-Sep-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	6	196.20	0.00 93.00		60	0.00	15.00	
AGCR3 A	01-Apr-19	31-Oct-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	7	210.00	0.00	94.00	60	0.00	15.00	
PLUTFR-1 B	01-Apr-19	30-Sep-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	6	225.00	0.00 100.00		60	0.00	10.00	
AGCR3 B	01-Apr-19	30-Sep-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	6	210.00	0.00	94.00 60 0.00		0.00	15.00	
PLUTFR-1 A	01-Apr-19	30-Sep-19	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	6	240.00	0.00	100.00	60	480.00	10.00	
BALOO-1 B	01-Apr-19	31-Oct-19	Mon-Fri 23:00 to 07:00 Sat, Sun and BHs 23:00 to 07:00	7	April - July 184 Aug - Sept 164 Oct - 184	0.00	92.00	92	0.00	0.00	

4. Results

- 142MW were procured for delivery from April 2019
- Nov–19 volume and beyond will become the focus of procurement activity from April 2019



FFES-4 CRUA-4 FFES-3 PGFS1 AGCR-7 ZENFR-1 BALOO-1 -Requirement

5. Rejection reason codes

						Tendered Prices					Utilisation Restrictions		
Tendering Company	Tendered Unit	From	То	Tendered Window	Tender Status	Availability Fee (£/h)	Positional Fee (£/h)	Window Initiation Fee (£/window)	Capped Bid-Offer Price(s) (£/MWH) OR Firm Fast Reserve Energy Fee	Unit Size (MW)	Maximum energy utilisation (MWh)	Maximum No. of Utilisations**	Reason Codes
BESS	ZENFR-1 B	01/04/2019	31/10/2019	Mon-Fri 06:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Reject	April - June 165 July - Sept 140 Oct - 110	0	0	99	50	50		3
BESS	ZENFR-1 A	01/04/2019	31/10/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Accept	April - June 160 July - Oct 110	0	0	99	50	50		Accept
Centrica	BALOO-1	01/04/2019	31/10/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Accept	April - July 276 Aug - Sept 246 Oct - 276	0	0	94	92	0	0	Accept
Centrica	BALOO-1	01/04/2019	31/10/2019	Mon-Fri 23:00 to 07:00 Sat, Sun and BHs 23:00 to 07:00	Reject	April - July 184 Aug - Sept 164 Oct - 184	0	0	92	92	0	0	7
Plutus Power	PLUTFR-1	01/04/2019	30/09/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Reject	225	0	0	100	60	360	10	4
Plutus Power	PLUTFR-1	01/04/2019	30/09/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Reject	240	0	0	100	60	480	10	4
UKPR	AGCR2	01/04/2019	31/10/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Reject	196.2	0	0	93	60	0	15	4
UKPR	AGCR2	01/04/2019	30/09/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Reject	196.2	0	0	93	60	0	15	4
UKPR	AGCR3	01/04/2019	31/10/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Reject	210	0	0	94	60	0	15	4
UKPR	AGCR3	01/04/2019	30/09/2019	Mon-Fri 07:00 to 23:00 Sat, Sun and BHs 07:00 to 23:00	Reject	210	0	0	94	60	0	15	4

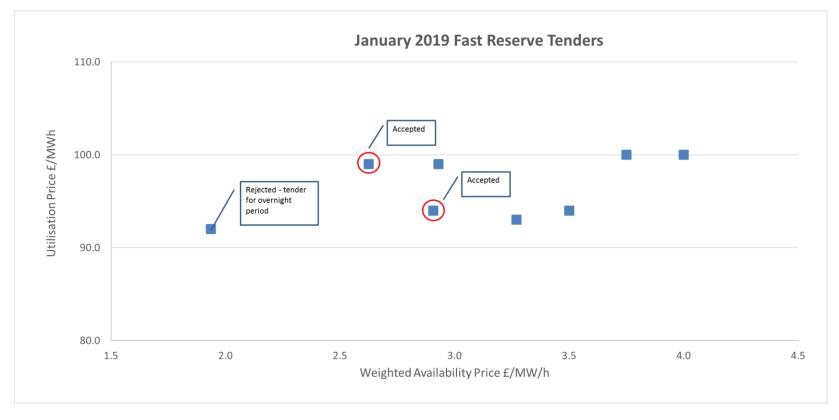
6. Tender round, February -19

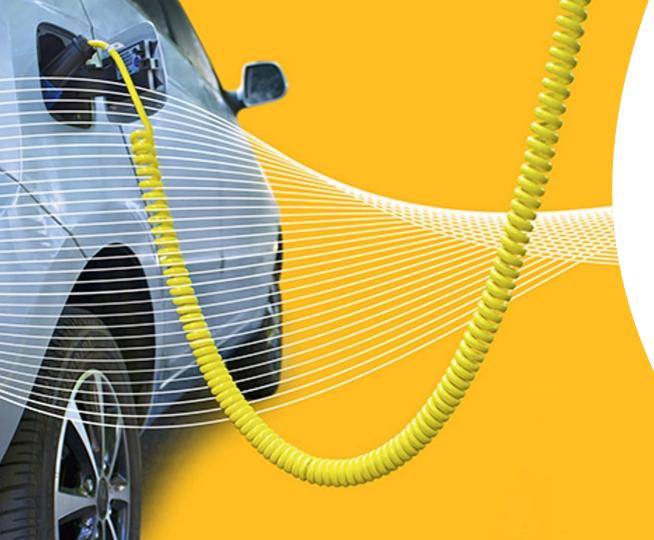
- Market Information Report will be published by 25th January
- Tender submission deadline will be 5pm on 1st February
- Notification of outcome of the tender assessment by 18th February
- Results published online by 20th February
- Following the January-19 tender we have now contracted sufficient volume against our procurement strategy up to November-19 and therefore do not need to secure any further volume until the April-19 tender round. We are required to run a monthly tender but for the sake of clarity we will not accept any more volume until the tender round beginning 1st. April
- As part of the implementation of the OCP we are reviewing our requirements and procurement strategy. Any additional volume that may be procured will be communicated through the Market information report.

7. Update following Detailed Change Proposal

- A update regarding Monthly Delivery Reconciliation Payment was published on the website on the 18th January 2019
- The new STCs will be effective from 25th March 2019, the tender proforma will be updated and will be required for tender submissions closing April 1st onwards

8. Overview of tenders





8. Feedback

Before we move onto the questions section, we ask you to leave your feedback using Webex live poll that will shortly be appearing on your screen shortly

9. 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.



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