

Fast Reserve Market Information for Dec-17

Monthly Report

Published Oct-17

Key points

This Market Information Report is relevant for tenders submitted in **November-17** for delivery in **December-17**.

Tenders from eligible service providers for Firm Fast Reserve should be submitted by **Wednesday 1st November 2017** (1st business day) for all tenders.

National Grid will notify service providers of the outcome of the tender assessment by **Thursday 16-November 2017** (12th business day).

Firm Fast Reserve is required during the following hours:

- Mon-Fri: 06:00 – 23:30hrs
- Sat, Sun, BH: 07:00 – 23:30hrs

The volume requirements are explained on the next page.

Introduction

Fast Reserve (FR) service provides the rapid and reliable delivery of active power through an increased output from generation or a reduction in consumption from demand sources, following receipt of an electronic dispatch instruction from National Grid. Fast reserve service requires all units to have capability to commence within two minutes following instruction, at rates of 25MW or greater per minute and providing a minimum of 50MW. Fast Reserve is an additional energy balancing service used to control frequency changes.

Fast Reserve may be provided as either a Firm service, procured through a tender process, or Optional service. Submitted tender prices are compared to the costs of alternatives to deliver the equivalent level of Fast Reserve. This report provides information to current and potential providers about the volume of, and time periods over which, Firm Fast Reserve is required.

Highlights

In Oct-17 nine tenders were received from; five from UKPR, two from First Hydro, one from Peak Gen and one from Scottish Power. More details on the tenders accepted/rejected are available from the post-assessment tender report.

The Fast Reserve Assessment Principles Report and other useful reports are available at:

<http://www2.nationalgrid.com/uk/services/balancing-services/reserve-services/fast-reserve/>

The Market Report containing Post-Assessment details are available at:

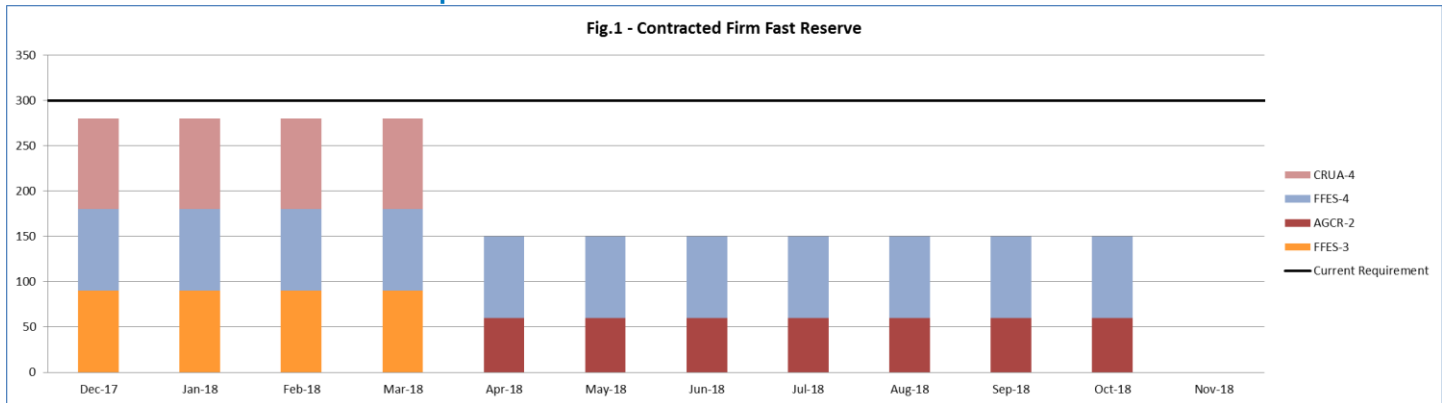
<http://www2.nationalgrid.com/UK/Services/Balancing-services/Reserve-services/Fast-Reserve/Fast-Reserve-Information/>

For a monthly cost summary of services procured please follow the below link to the Monthly Balancing Services Summary (MBSS), which breaks costs down by service including the Firm and Optional Fast Reserve costs.

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

Tenders should be submitted on the ARIBA E-Tender platform. If you have not registered in ARIBA or received an invite to the event please contact your Account Manager in the first instance. If you have any questions about the event, email commercial.operations@nationalgrid.com

Firm Fast Reserve Requirement



The figures on this page show the amount of existing contracted Fast Reserve available per month and per day, against the optimal firm fast reserve requirement.

Fig.1 shows our monthly Fast Reserve requirement against our current contracts for the next 12 months.

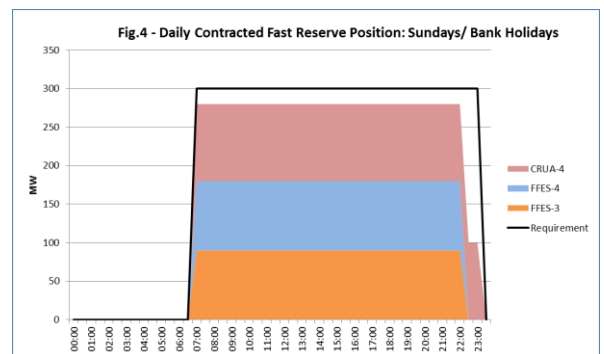
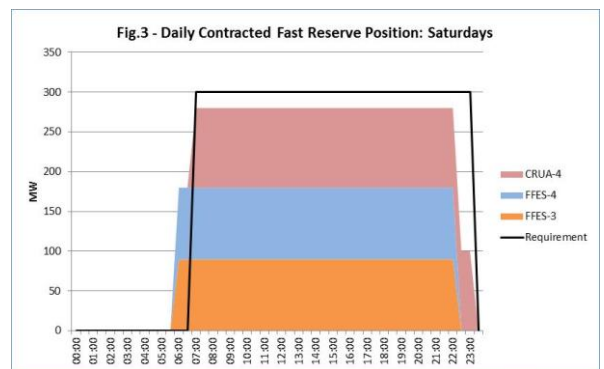
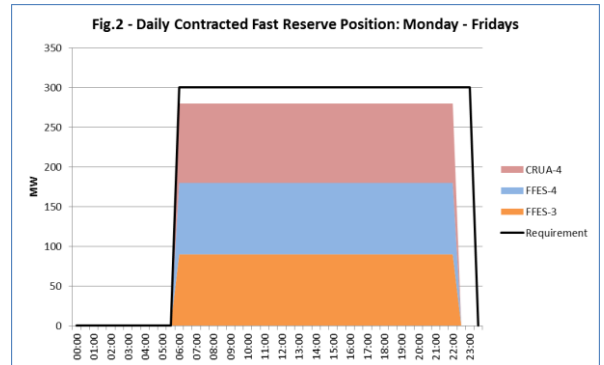
Fig. 2 to Fig.4 shows our requirement by day and contracted Fast Reserve for the delivery month of Dec-17.

- The Firm requirement is 300MW for all periods between
- Mon-Fri: 06:00 – 23:30
 - Sat, Sun, BH: 07:00 – 23:30

Note the requirements are being reviewed regularly and so may change at short notice.

Table 1: 12 month requirement

Month	Additional Optimal Max Firm Requirement (MW)
Dec-17	20
Jan-18	20
Feb-18	20
Mar-18	20
Apr-18	150
May-18	150
Jun-18	150
Jul-18	150
Aug-18	150
Sep-18	150
Oct-18	150
Nov-18	300



Reason Codes

The table below provides guidance as to the reasons that a tender has been rejected. They can be matched against the numbers in the 'Reason Code' section of the Post Tender Report. This will be effective for tenders submitted from November 2017.

No.	FR Reason Codes	Definition
1	Price not beneficial across tendered period	The price submitted was too high and did not provide any contract benefit against alternative actions.
2	Tender was not beneficial across any duration of the tender period	The tender submitted was not considered beneficial when evaluated against the forecasted cost of alternative actions over any duration of the tender period.
3	Multiple tenders received for the same unit	Only the most valuable tender of the total group of submitted tenders was considered.
4	Beneficial but the benefit is lower than that of other tenders	While the tender submitted was considered as beneficial, on this occasion there were tenders that provided a higher benefit.
5	Beneficial but requirement already satisfied	While the tender submitted was assessed as beneficial, the benefit was not determined as sufficient for us to contract above our procurement requirement.
6	Does not meet tender prerequisites and rules	Please refer to the 'Technical requirements' and 'How to participate' sections using the following link to determine the criteria necessary to participate in the FR market. http://www2.nationalgrid.com/uk/services/balancing-services/reserve-services/fast-reserve/

Where appropriate, new reasons will be added following each tender round

This report is under continuous review and development, therefore if you have any comments or suggestions of information you would like to see in the future reports, please contact your account manager or email the assessment team: box.AncillaryAssessment@nationalgrid.com