

Tender Procurement Update



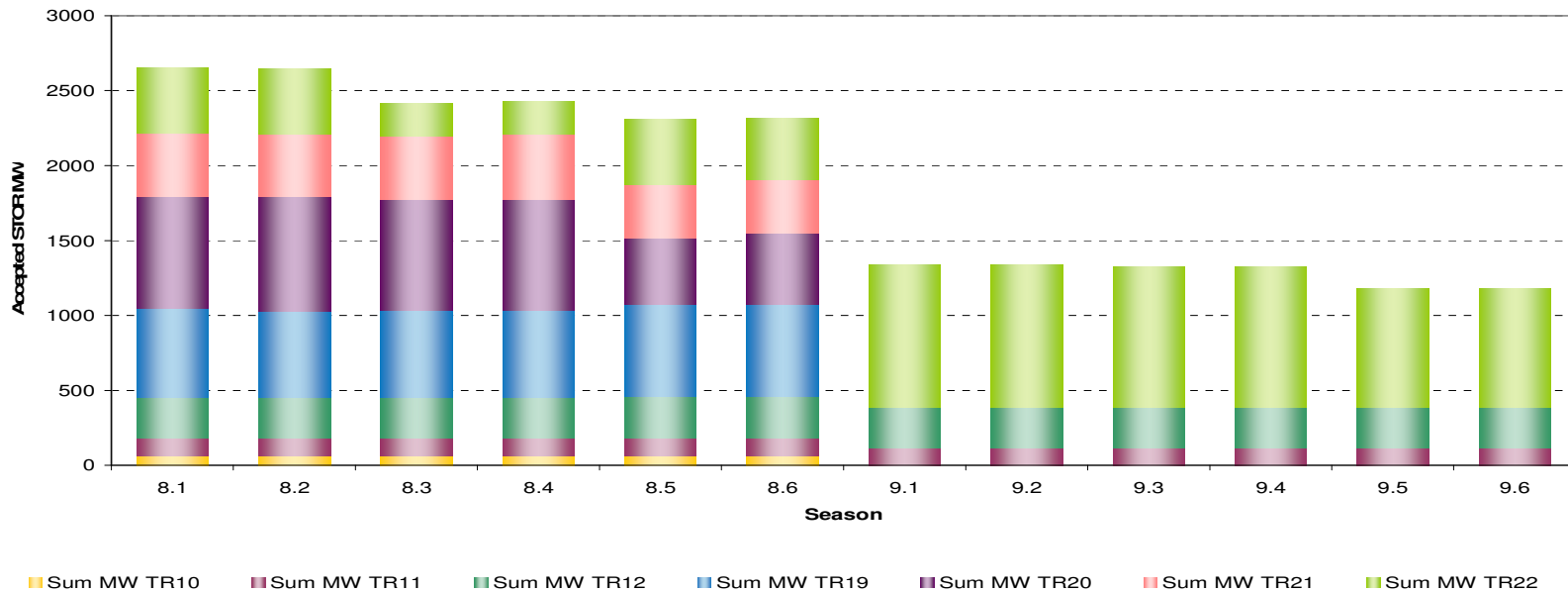
Mathew Hofton – Market Requirements Manager

Constraint Management Tenders

- Voltage Management Tenders
 - Spring/Summer overnight requirement for low load running in the South
 - **South East:** Six parties participated over two tenders
 - **April to June** - Contracts agreed at Grain and Medway
 - **July to September** – Contract agreed with Damhead Creek for combined FFR and voltage management
 - **South Coast:** Bilateral contract with Marchwood
 - **April to June:** Optional voltage management (incl. firm ext)
 - **August:** Negotiating optional voltage management
- Export / Import Constraints
 - No requirement identified so far this year

Contracted STOR Position (prior to Tender Round 23)

Overview of Accepted STOR Tenders for Seasons 8.1 - 9.6

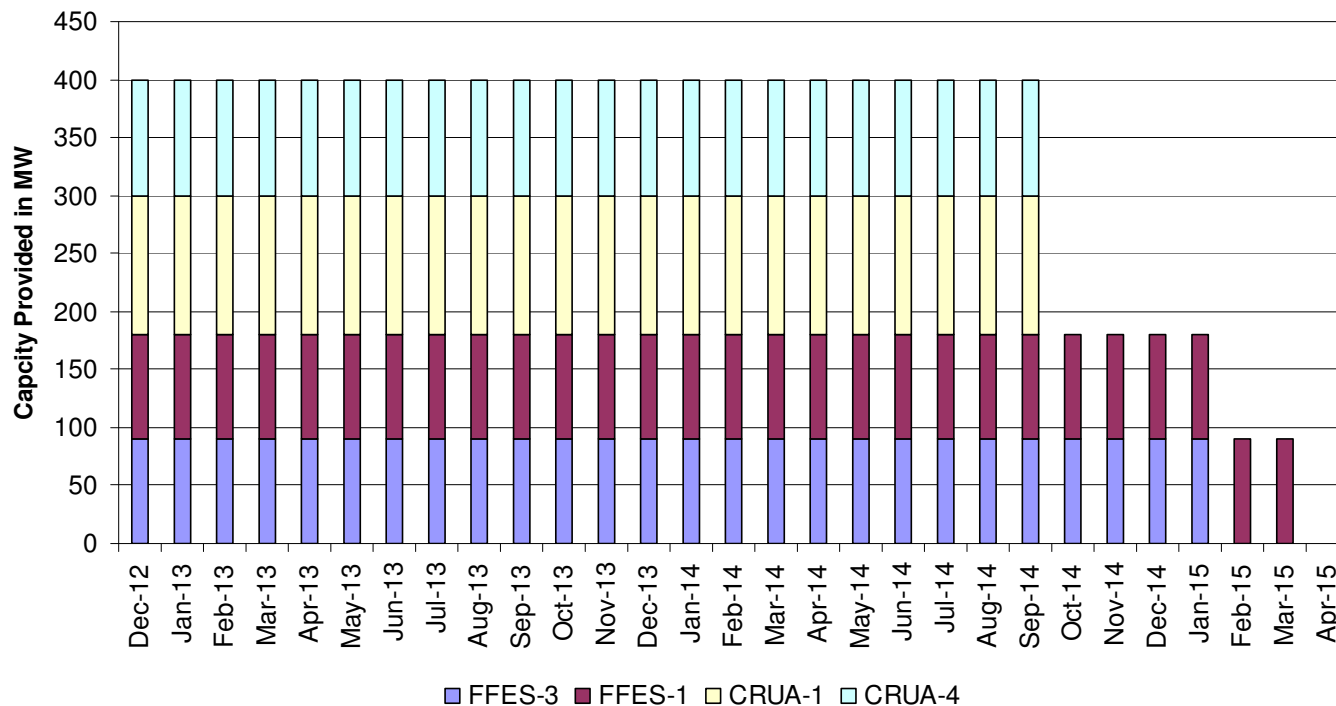


- Current requirements: 2300MW for seasons 8.3 to 8.6, requirement for current season 8.2 was 2200MW. Year 9 requirement currently being reviewed.
- TR23 assessment is ongoing, results will be delivered by 4th July with the market report published on Friday 18th July.
- The market remains very competitive and heavily subscribed.

Former & Current Fast Reserve Contracts – day time

- 6 month contracts with CRUA-1 (120MW), CRUA-4 (100MW) and 12 month contract with FFES-1 (90MW) all from starting from 01/04/14.
- Looking to procure additional quantities from October 2014.

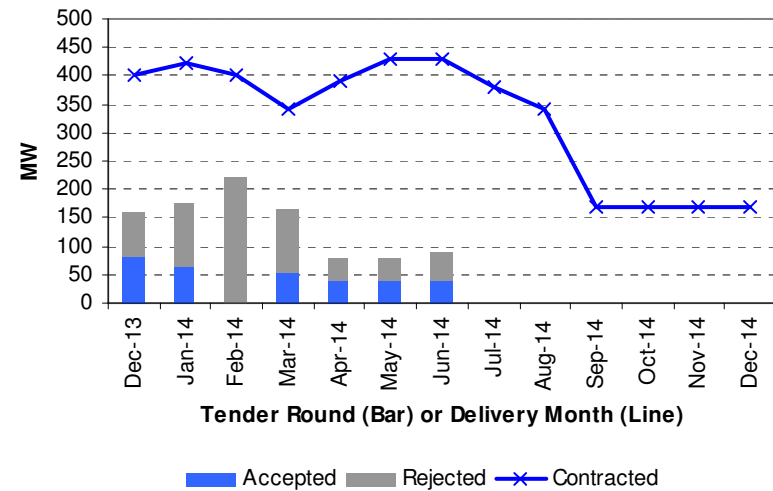
Fast Reserve Day Contracts



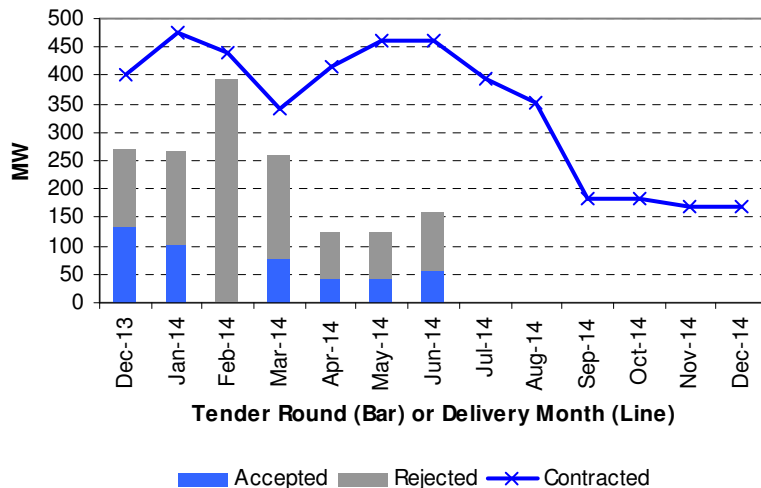
Firm Frequency Response

- Large secondary requirement not filled each month
- Assessed against the alternatives available in the Mandatory Response market
- Offers a fixed income and certainty over the medium term
- Some participants accepted regularly

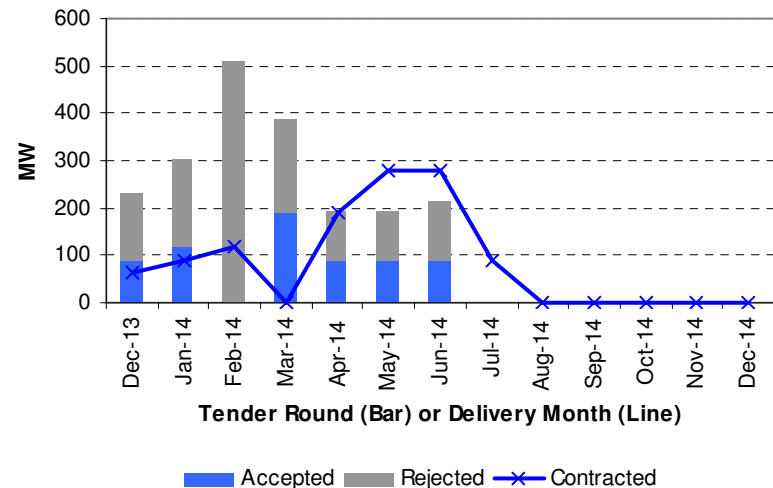
Primary Response - Day



Secondary Response - Day



High Response - Day



DSBR and SBR

- Requirement identified for upcoming winters
- Procuring 330MW (de-rated) of DSBR for 14/15
- Greater requirement of SBR and DSBR for 15/16
- DSBR tender window now open, closes on 21st of July. Tenderers are advised to request logins now and complete their submissions well in advance of this deadline.
- Separate session to be run this afternoon covering:
 - General update
 - Validation process
 - Assessment principals
 - Open Q&A session
 - Optional Tender portal guidance presentation

Any Questions

Contact

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