

Fast Reserve Market Information from October-18

Monthly Report

Published Aug-18

Key points

This Market Information Report is relevant for tenders submitted in **September-18** for delivery from **October-18**.

Tenders from eligible service providers for Firm Fast Reserve should be submitted by **Monday 3rd September 2018** (1st business day) for all tenders.

National Grid will notify service providers of the outcome of the tender assessment by **Tuesday 18th September 2018** (12th business day).

Firm Fast Reserve is required during the following hours:

- Mon-Fri:
- 06:00 – 23:30hrs
- Sat, Sun and Bank Holidays:
07:00 – 23:30hrs

The volume requirements are explained on the next page.

Tenders should be submitted using the latest Tender Submission Form 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

Introduction

Fast Reserve 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 requires all units to have the capability to commence service delivery within two minutes following instruction, at a rate of 25MW per minute or greater and provide 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 as an Optional service. Submitted tender prices are compared to the costs of alternatives to deliver the equivalent level of Fast Reserve. This report provides information about the volume of, and time periods over which, Firm Fast Reserve is required to current and potential providers.

To be an eligible service providers for Firm or Optional Fast Reserve you must have demonstrated your Fast Reserve capability to National Grid's reasonable satisfaction. This includes accepting instructions via the National Grid dispatch platforms.

Highlights

In August-18, thirty-seven tenders were received; five from Peak Gen, two from Plutus Power, three from First Hydro, two from Scottish Power, twenty from UKPR and five from BESS. Following the August-18 assessment, we contracted 204MW for the period 13th to 30th September-18 during which time 180 MW of our initial contracted volume had become unavailable. More details on the tenders that have been accepted or rejected are available from the post-assessment tender reports.

In the September-18 tender round our aim is to primarily focus our procurement of Fast Reserve volume for the period November-18 to February-19 inclusive. We will not procure any further volume for March-19. We will consider procuring volume for April-19 to October-19.

All tender should be submitted using the latest Tender Submission Form sent out on 17th August-18.

The Market Report containing Post-Assessment details are available at: <https://www.nationalgrid.com/uk/electricity/balancing-services/reserve-services/fast-reserve?market-information>

The Fast Reserve Assessment Principles Report and other useful reports are available at: <https://www.nationalgrid.com/uk/electricity/balancing-services/reserve-services/fast-reserve>

For a monthly cost summary of services procured please follow the below link to the Monthly Balancing Services Summary (MBSS), which gives a breakdown of costs by service including the Firm and Optional Fast Reserve costs. <https://www.nationalgrid.com/uk/electricity/market-operations-and-data/system-balancing-reports>

Fast Reserve Market Information

Firm Fast Reserve Requirement

The following figures show the existing contracted Fast Reserve volume per month and per day against the optimal Firm Fast Reserve requirement.

The data used to produce the graphs of the Firm Fast Reserve requirement and contracted volume for each delivery month is available in the 'Fast Reserve Market Information Data' spreadsheet.

Figure 1. The monthly Fast Reserve requirement against our current contracts for the next 12 months

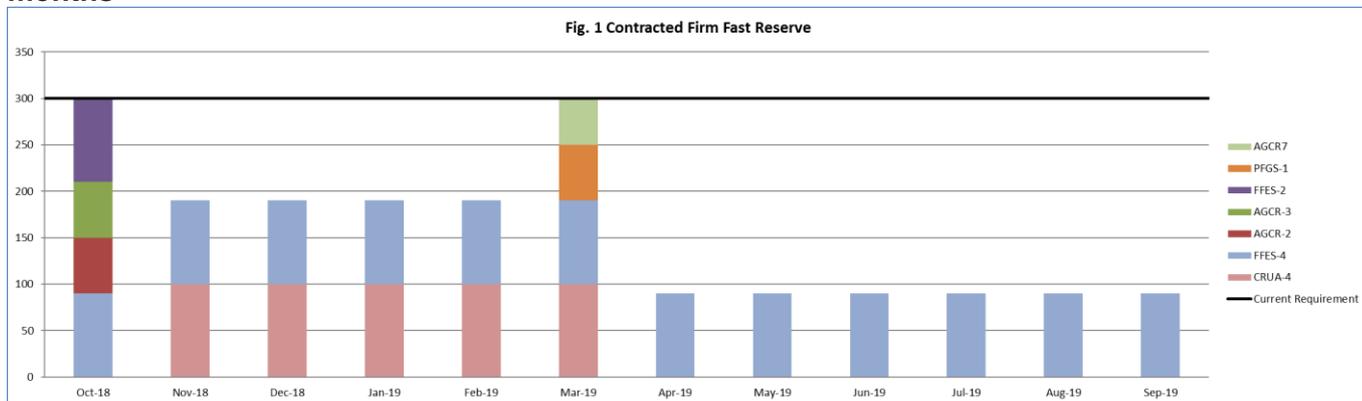
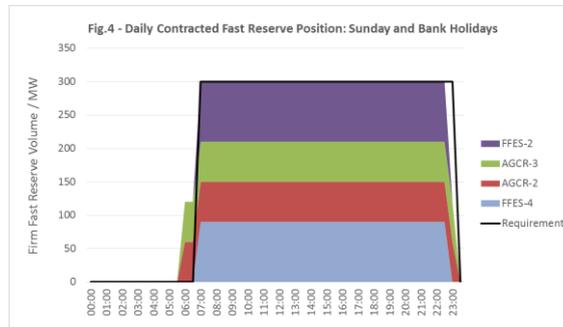
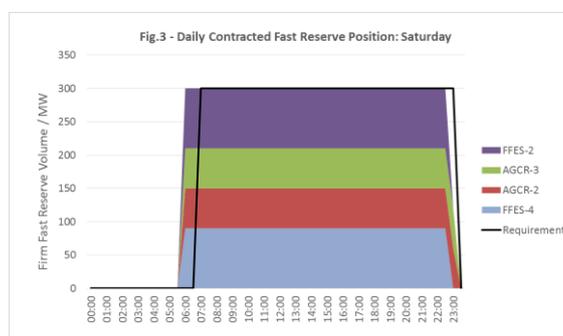
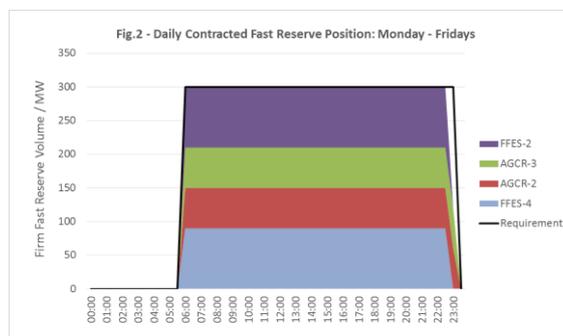


Figure 2 to Figure 4 shows our requirement and contracted Fast Reserve by day for delivery for October-18

Table 1. 13 month requirement

Month	Additional Optimal Max Firm Requirement (MW)
Oct-18	0
Nov-18	110
Dec-18	110
Jan-19	110
Feb-19	110
Mar-19	0
Apr-19	210
May-19	210
Jun-19	210
Jul-19	210
Aug-19	210
Sep-19	210
Oct-19	210

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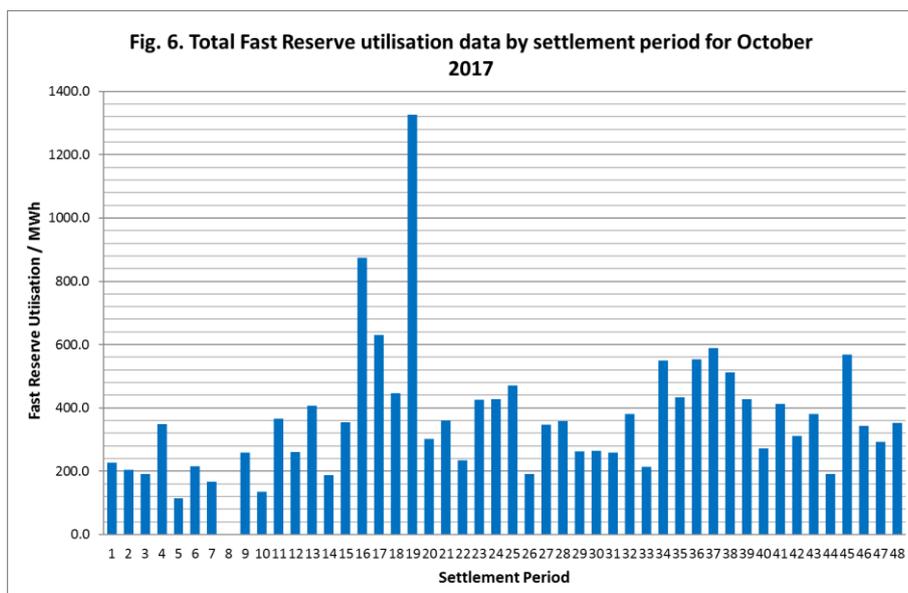
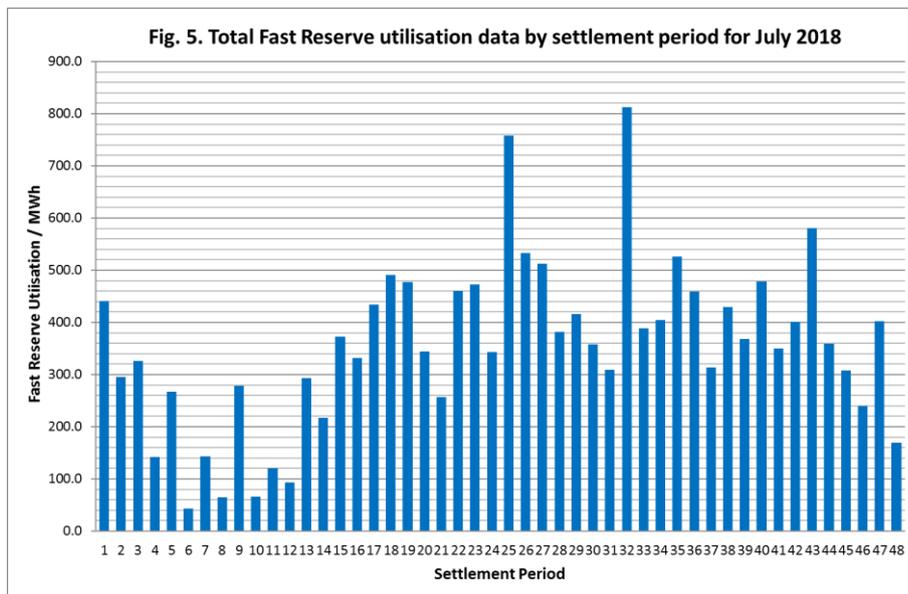


Fast Reserve Market Information

Fast Reserve Utilisation data

The following information is based on the aggregate of all accepted offers from BM and NBM units to provide Fast Reserve.

Figure 5 and 6 are bar charts of the total utilisation by Settlement Period over one month. This data therefore represents the daily profile of Fast Reserve utilisation from the last month, July-18 (Figure 8) and the daily utilisation profile of the next delivery month from last year, October-17 (Figure 9). Please note that each bar chart is the total utilisation for the whole month across all settlement periods and is not the average utilisation by settlement period.



Fast Reserve Market Information

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. https://www.nationalgrid.com/uk/electricity/balancing-services/reserve-services/fast-reserve?how-to-participate

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