

# power responsive

**Colm Murphy**

**nationalgridESO**

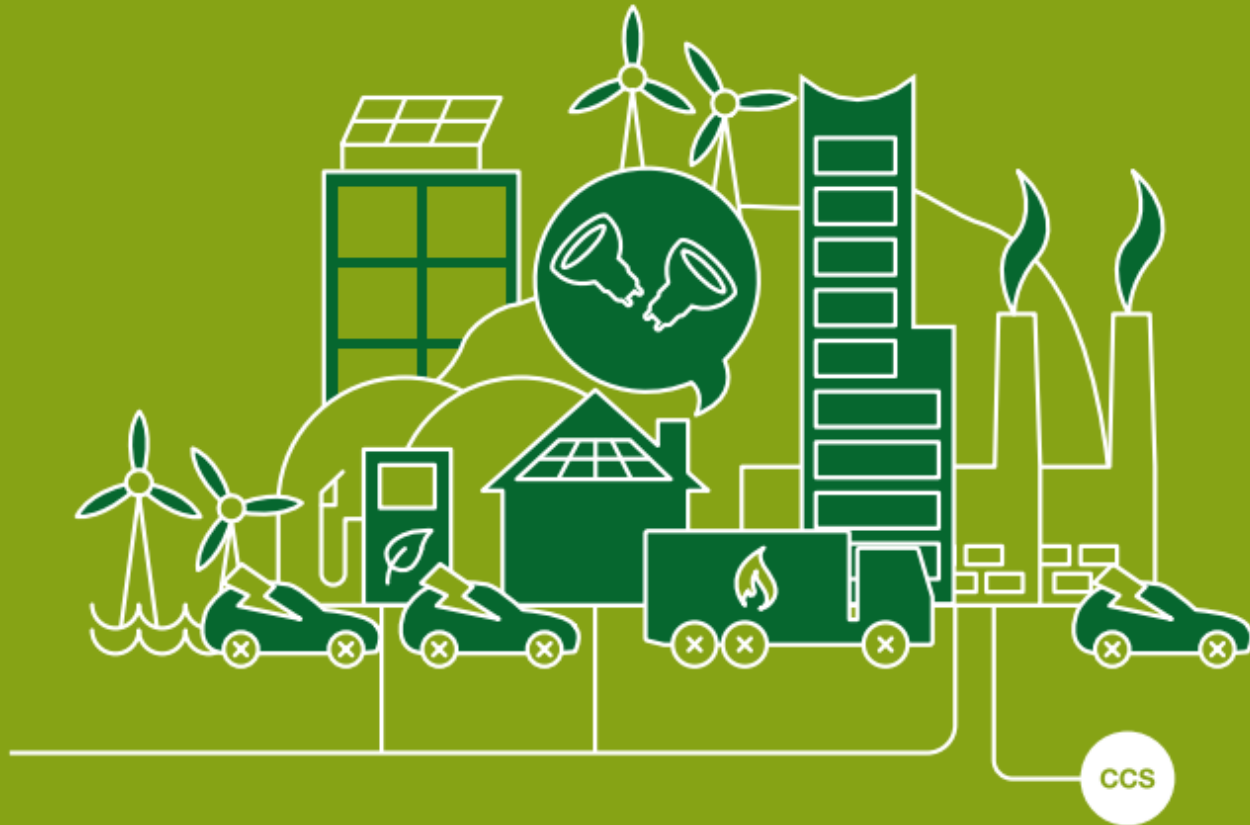
Electricity Market Change Delivery Manager

**11<sup>th</sup> September 2019**

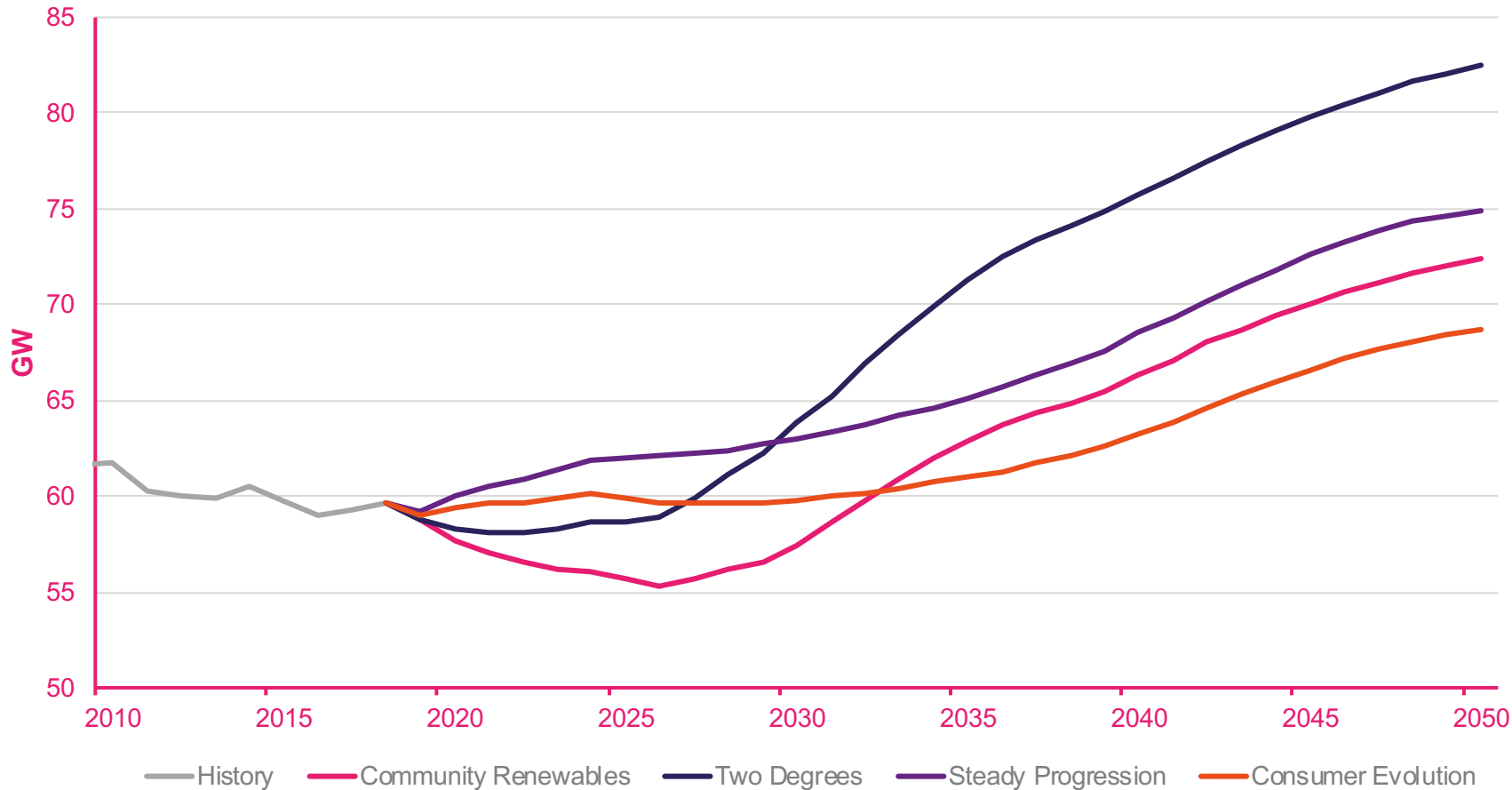
**Power Responsive Summer Reception**



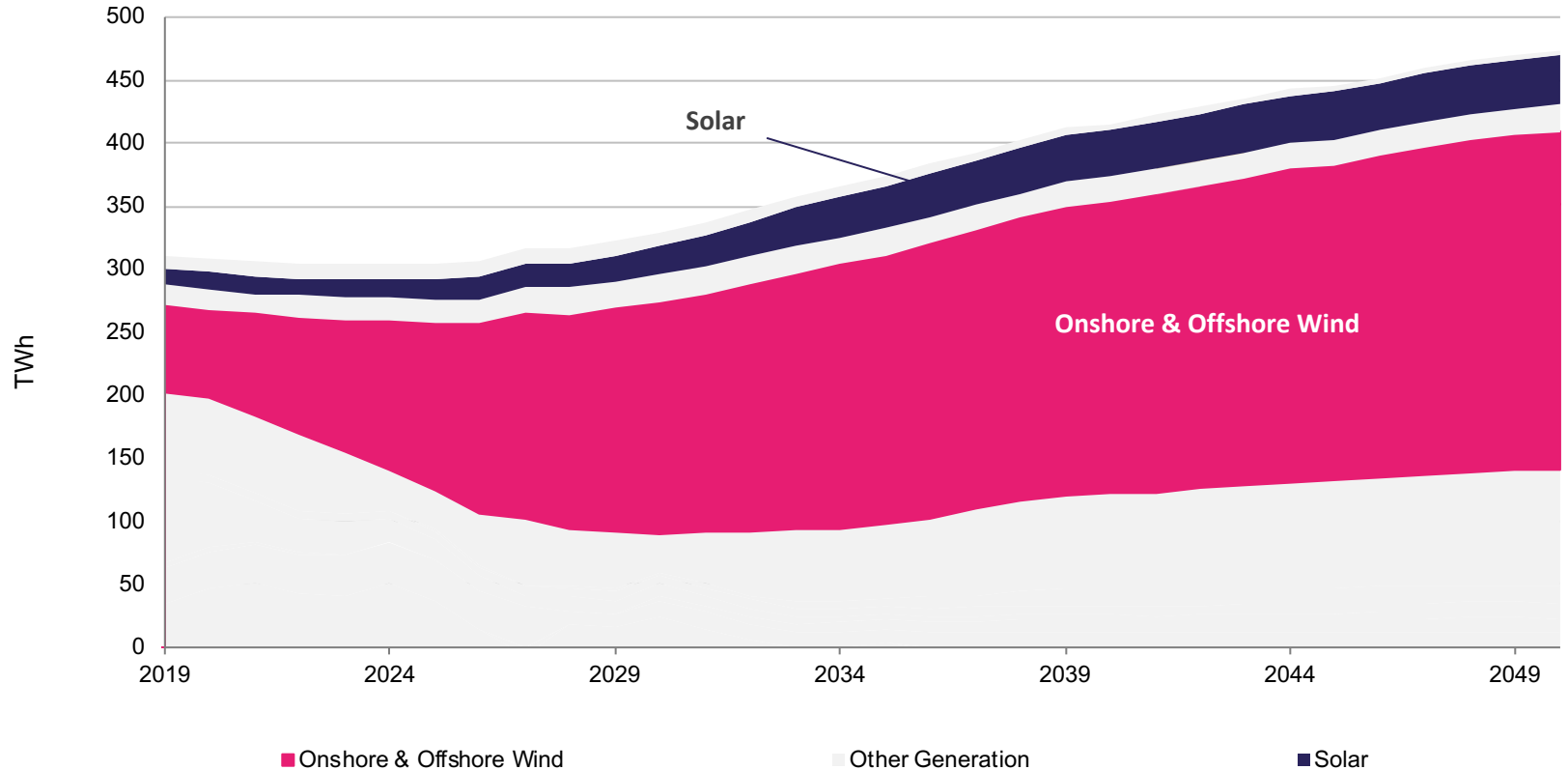
# Green Ambitions



# Peak Demand Increases



# Increase in Intermittent Generation



# Transforming Markets

Our aim is to make balancing markets as competitive as possible by making them simple, fair and transparent



## Simple

- Simplify range of products and access to participation
- Simple to interface with auction systems
- Simple to interface with the ESO dispatch system

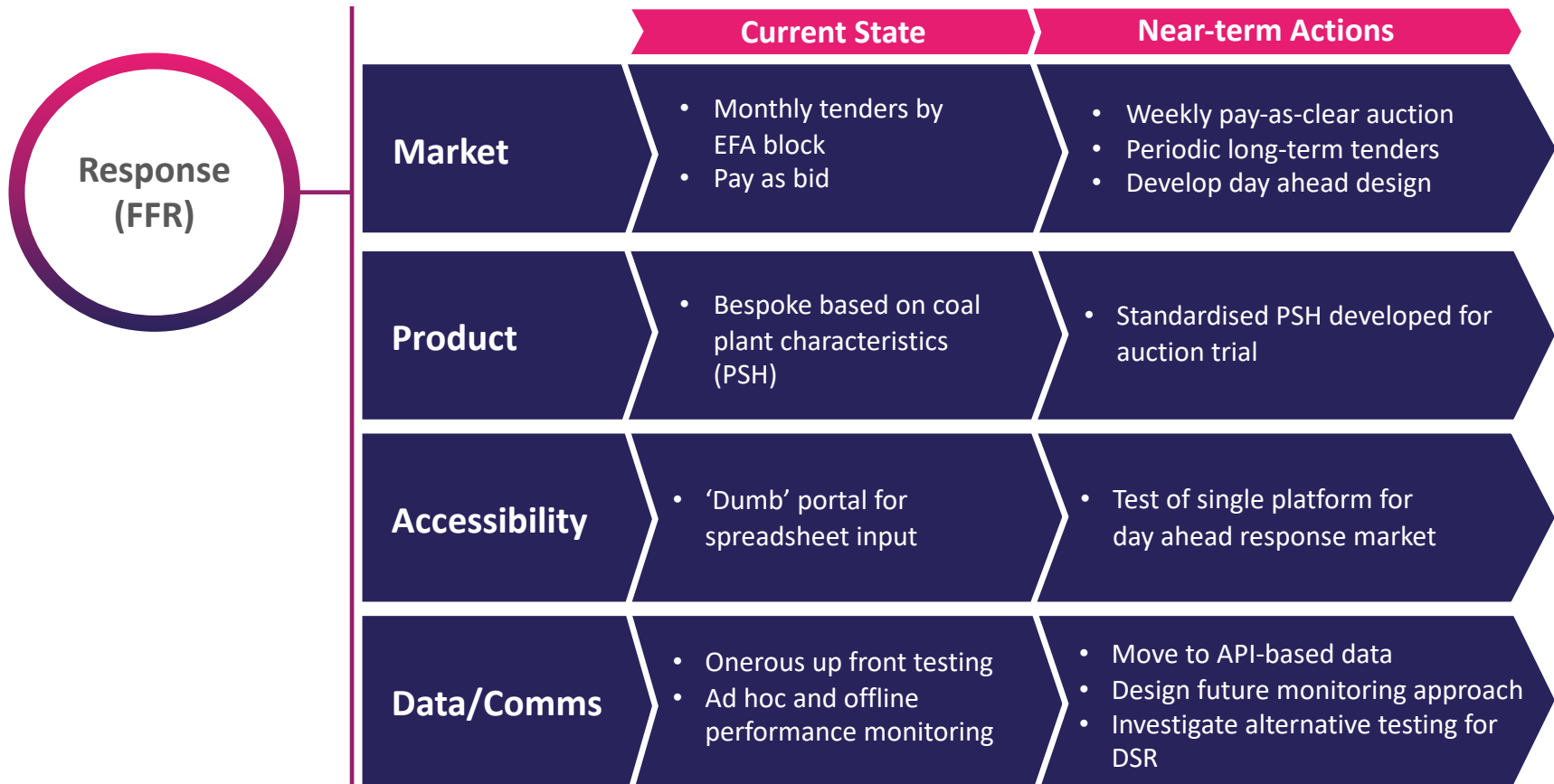
## Fair

- Focus on removing unnecessary barriers to entry
- No special deals sitting alongside established markets
- Equitable dispatch of large and small assets in the control room

## Transparent

- Support understanding of service volume drivers.
- Provide clear statement of requirements for each service.
- Move to pay as clear auctions or use transparent tenders.
- Provide clear information on results

# Transforming Markets



Response  
(FFR)

**Market**

- Monthly tenders by EFA block
- Pay as bid

**Near-term Actions**

- Weekly pay-as-clear auction
- Periodic long-term tenders
- Develop day ahead design

**Product**

- Bespoke based on coal plant characteristics (PSH)

- Standardised PSH developed for auction trial

**Accessibility**

- 'Dumb' portal for spreadsheet input

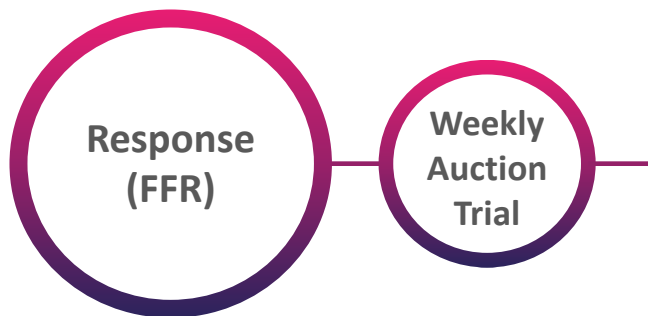
- Test of single platform for day ahead response market

**Data/Comms**

- Onerous up front testing
- Ad hoc and offline performance monitoring

- Move to API-based data
- Design future monitoring approach
- Investigate alternative testing for DSR

# Transforming Markets – FFR Weekly Auction Trial



We are progressing with our Frequency Response Auction Trial to procure part of our Firm Frequency Response requirements via a weekly pay-as-clear auction.

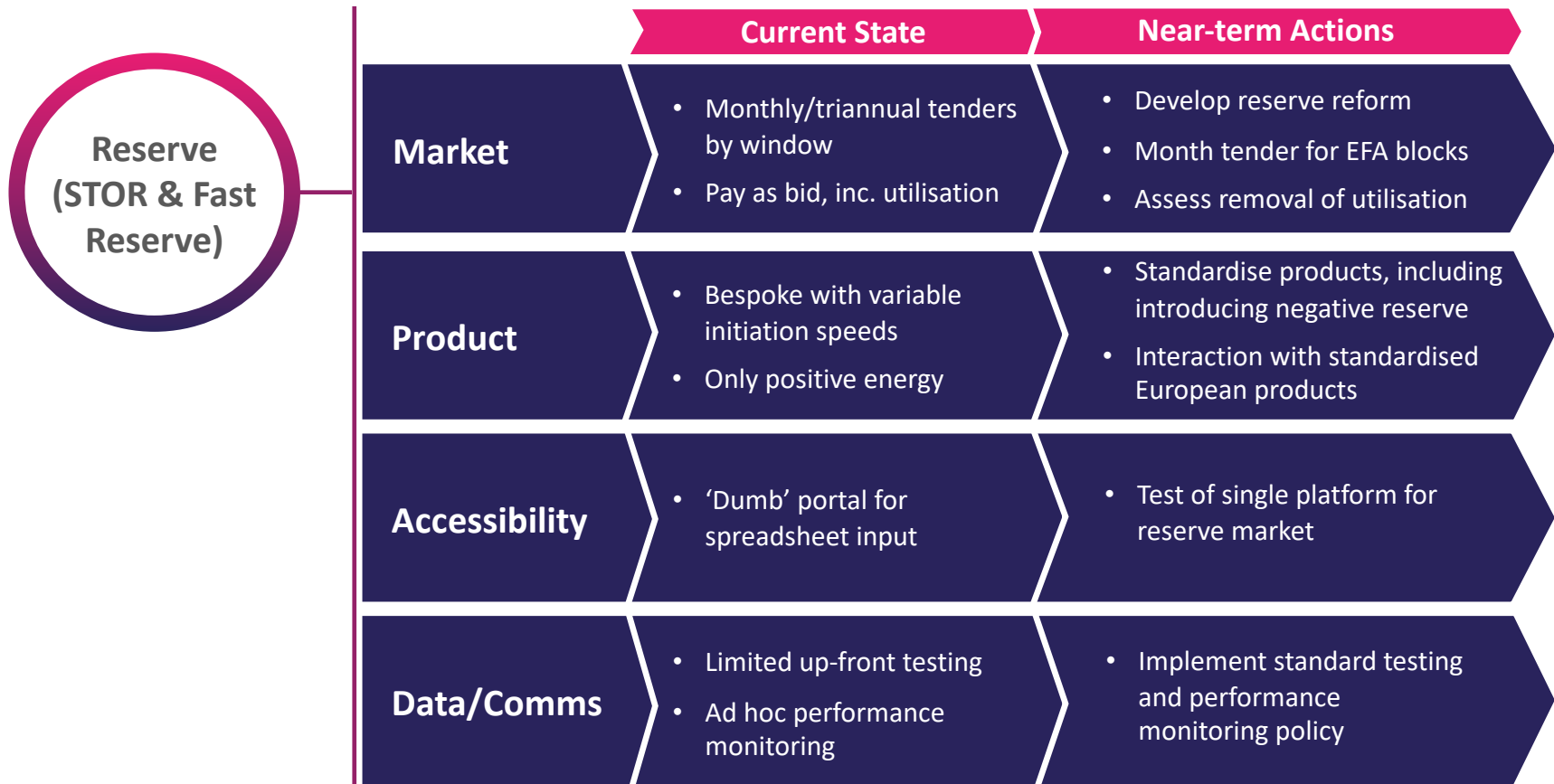
## Phase 1 Auction Trial

- Our weekly Phase 1 Frequency Response Auction Trial to procure a Low Frequency Static service has been live since 13th June 2019
- Liquidity has improved steadily since the introduction of the trial, and the cleared volumes have increased

## Phase 2 Auction Trial

- We plan to launch Phase 2 later this autumn with a new auction platform hosted and operated by our auction partners, EPEXSPOT
- Platform planned to go-live end-October 2019 for a series of Mock Auctions for testing and training
- First commercial auction planned for end-November 2019

# Transforming Markets





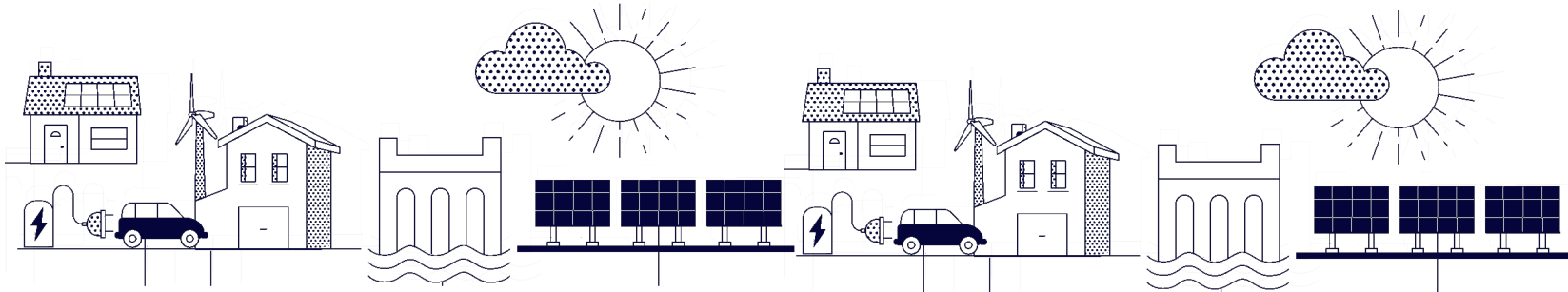
# Creating Opportunities

Wider  
BM Access &  
Project  
TERRE

Distributed  
Restoration

NOA  
Pathfinder  
Projects

Intermittent  
Generation



# Please continue to engage with us



Continued input from across the industry is essential to our work as we look to create balancing service markets and products that work for all parties.



**Contact us at.....**

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