

Demand Side Participation in Balancing Services

Presentation to DSWG – 1st September

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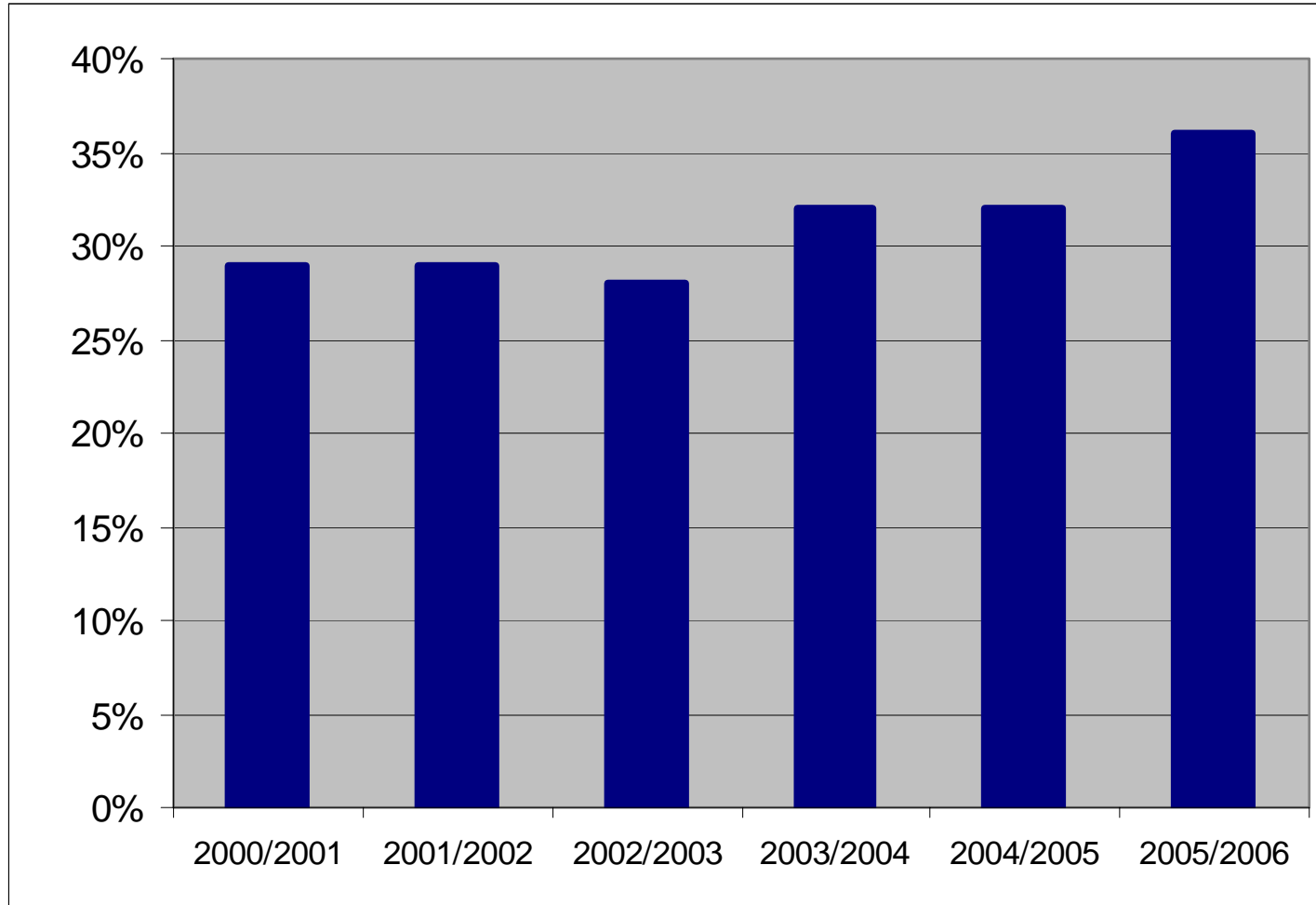
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- ◆ Role of Demand Side on 18th July
- ◆ Note: Consistent with previous reporting, Demand Side values are for all non-BM providers

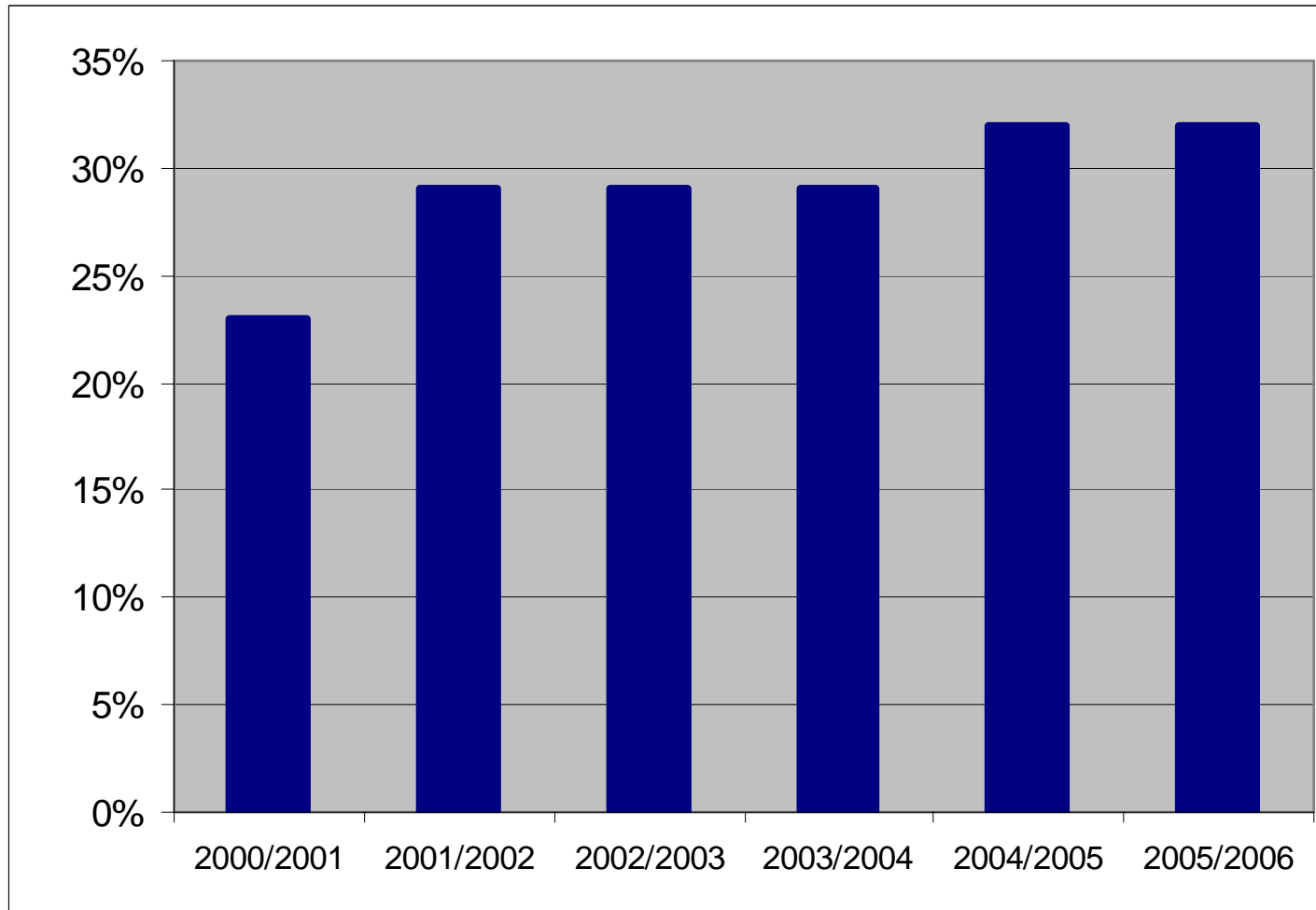
Demand Side Participation In Balancing Services 2005/6

Service	% provided by Demand Side
Frequency Response	36% (based on actual declared availability)
Standing Reserve	32% (annual contracted volume basis)
Fast Reserve	6% (annual contracted volume basis)

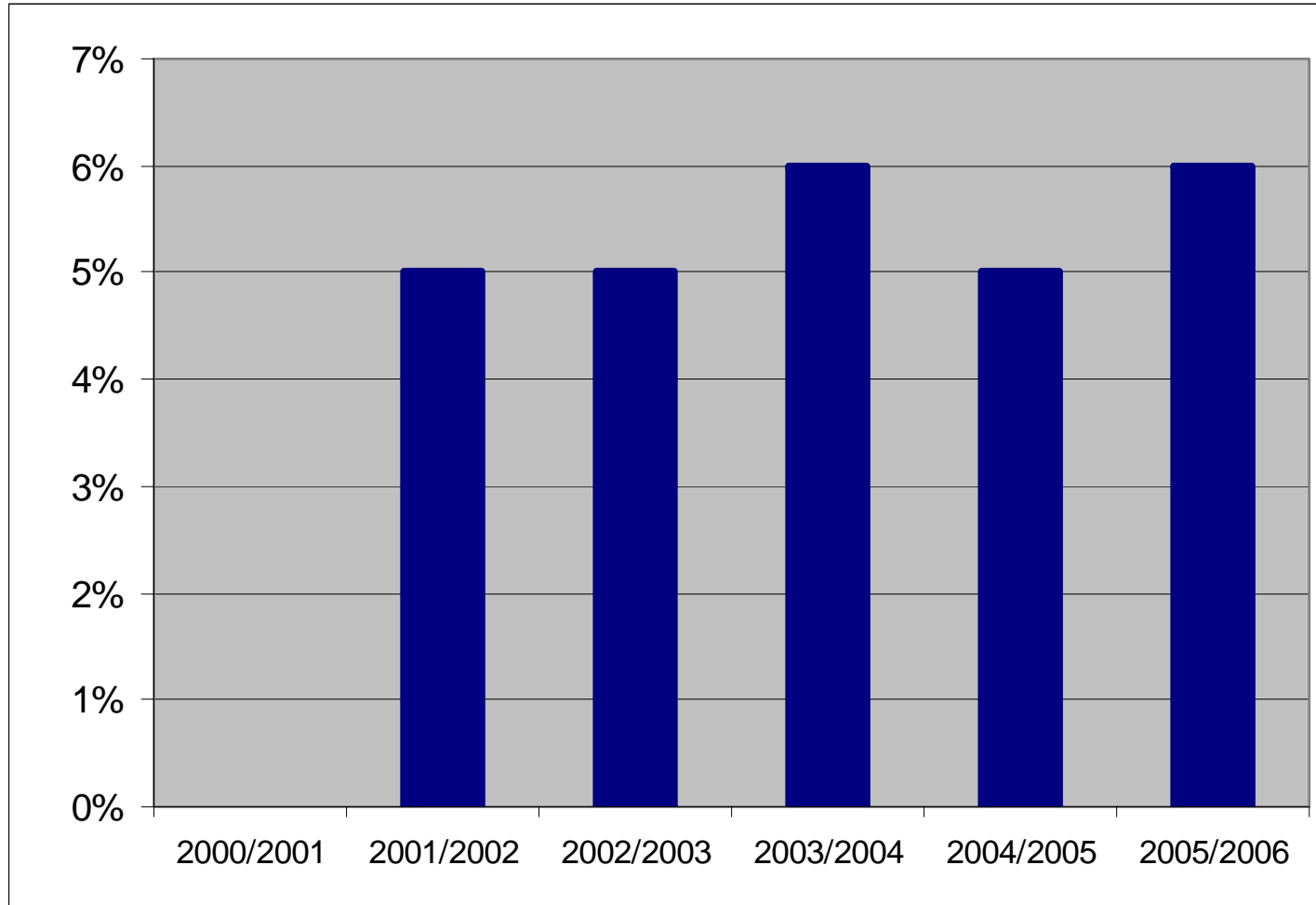
Frequency Response from Demand Side



Standing Reserve from Demand Side



Fast Reserve from Demand Side



System Warnings 18/19 July - background

- ◆ High volume of plant unavailable
 - ◆ summer maintenance ~15GW
 - ◆ fault outages (existing breakdowns) ~ 4GW
 - ◆ > 2GW of plant losses from Mon 17th to lunchtime peak on Tue 18th –
- ◆ High demands forecast in excess of 45GW with record July temperatures
- ◆ Normal demand levels ~43GW, Hot Spell ~44GW
- ◆ National Grid demand forecasts correlated well with outturn levels
- ◆ Net imbalance reached 3.5GW short

Actions taken on 18th July

- ◆ NISM issued following losses up to midnight on Mon 17th July.
- ◆ Further plant loss of 1200MW lead to issuing of HRDR
- ◆ All standing reserve committed
- ◆ All feasible BM offers accepted
- ◆ DCI issued for lunchtime peak (last ones issued were Dec 2002 and Mar 1998)
- ◆ DCI updated during the afternoon as margin situation remained tight

Demand Side on the 18th July 2006

	% delivered by Demand Side	Notes
Frequency Response	42%	Additional benefit of not having to part load some generation to provide response
Standing Reserve	7%	All available Standing Reserve was committed