

## EPEX SPOT and National Grid ESO successfully launch frequency response auction trial in Great Britain

**London / Paris, 04 December 2019.** The European Power Exchange EPEX SPOT and National Grid Electricity System Operator (ESO) have successfully launched the Frequency Response Auction Trial in Great Britain (GB). The first auction took place on 29 November. In total, 10,284 MW were traded during this first auction. Reference prices for the different products traded are available [here](#).

Following the [joint announcement](#) of National Grid ESO and EPEX SPOT in 2018, the partners have developed a platform which hosts these auctions. The trial is designed to demonstrate that closer-to-real-time procurement can enable renewable generation as well as industrial and commercial sites to provide frequency response along with traditional providers. The two-year project is supported by a grant from Ofgem's Network Innovation Allowance.

The weekly, pay-as-clear auctions take place every Friday. Orderbooks close at 9:30 GMT and results are published on the National Grid ESO's website at 14:00 GMT, for service delivery starting the same day.

Colm Murphy, Head of Electricity Market Change Delivery for National Grid ESO, said:

“The frequency response auction trial supports a core objective of the Electricity System Operator to remove barriers to entry and promote competition. Participation in the auction by new providers supports us in achieving carbon-free operation by 2025 and the net-zero transition. We expect the auction to increase liquidity in the frequency response market, reduce our overall balancing costs, and deliver value for the end-consumer.”

Ralph Danielski, Chief Executive Officer of EPEX SPOT, comments:

“We are delighted to deliver this new market place that offers important value for flexibility providers in GB. The project represents also a major milestone for our company, as on the back of our expertise in developing and operating short-term energy markets, we now have officially entered the field of balancing services. The new near-term contracts enable access to new players, diversify the segment and ultimately facilitate the energy transition.”

Frequency response is an essential balancing service to mitigate deviations in system frequency caused by unexpected changes in generation or demand. This auction trials a new route to market for National Grid ESO to procure frequency response from industry providers.

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**The European Power Exchange EPEX SPOT SE** and its affiliates operate physical short-term electricity markets in Central Western Europe and the United Kingdom. As part of EEX Group, a group of companies serving international commodity markets, EPEX SPOT is committed to the creation of a pan-European power market. In the first half of 2019, 300 TWh were traded on EPEX SPOT markets. In 2018, its 289 members traded 567 TWh – a third of the domestic consumption in the eight countries covered. 49% of its equity is held by HGRT, a holding of transmission system operators. For more information, please visit [www.epexspot.com](http://www.epexspot.com).

In 2019, EPEX SPOT celebrates 10 years of power, the company's tenth anniversary. Curious to learn more? Click here: <https://www.epexspot.com/en/10years>

## **National Grid**

National Grid is one of the largest investor-owned energy companies in the world. We own and manage the grids that connect people to the energy they need, from whatever the source. In Britain, we run the gas and electricity systems that our society is built on, delivering gas and electricity across the country. In the North Eastern US, we connect more than seven million gas and electric customers to vital energy sources, essential for our modern lifestyles.

### **National Grid in the UK:**

- We own the high-voltage electricity transmission network in England and Wales, operating it across Great Britain
- We own and operate the high pressure gas transmission system in Britain
- We also own a number of related businesses including LNG importation, land remediation and metering
- Our portfolio of other businesses is mainly concerned with infrastructure provision and related services where we can exploit our core skills and assets to create value. These businesses operate in areas such as Metering, Grain LNG Import, Interconnectors and Property. National Grid Carbon Ltd is a wholly owned subsidiary of National Grid. It undertakes Carbon Capture Storage related activities on behalf of National Grid.

### **National Grid in the US:**

- National Grid delivers electricity to approximately 3.4 million customers in New England and upstate New York

- We own 3.8 gigawatts of contracted electricity generation, providing power to over one million LIPA customers
- We are the largest distributor of natural gas in northeastern U.S., serving approximately 3.5 million customers in New York, Massachusetts and Rhode Island.

Find out more about the energy challenge and how National Grid is helping find solutions to some of the challenges we face at [www.nationalgridconnecting.com](http://www.nationalgridconnecting.com)

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