

Results of the bid organised by Red Eléctrica

The peninsular electricity system will have 1,148 MW of demand-side response capacity by 2025

This marks the third bid held since the implementation of this service, which enhances system operation flexibility.

A total of 21 providers participated in the bid remotely.

Successful bidders will be compensated at a rate of €56.43 per MW per hour for their availability to reduce demand during necessary situations.

Madrid, 15 November 2024

By 2025, the peninsular electricity system will feature a total of 1,148 MW of demand-side response capacity. This capacity, provided by facilities participating through energy traders or as direct market consumers, represents an approximately 89% increase compared to the previous bid. These are the results of the third bid for the demand-side response service, organised yesterday by Red Eléctrica, with details now available on the esios website.

This mechanism is a balancing tool outlined in current regulations and aligns with European Commission guidelines encouraging demand participation in ancillary services to ensure system stability. It can be implemented in specific situations where the system lacks enough resources to maintain proper reserve levels due to the simultaneous occurrence of unforeseen events.

Therefore, successful bidders commit to reducing their consumption for a maximum duration of three hours per day per provider, with at least 15 minutes' notice. The period covered by this bid runs from 1 January to 31 December 2025.

Service details

This service allows voluntary participation by consumers, either through their energy trader or directly if they are direct market consumers. In this third bid, a total of 21 providers submitted their offers via the system operator's information platform ([esios](https://esios.es)).

Successful bidders will be compensated with a marginal price of €56.43 per assigned MW per hour for their availability to reduce consumption during designated time periods.

Each connection will be remunerated at the corresponding tertiary regulation price for the activation periods.

A flexibility tool for the system

Red Eléctrica has been promoting demand participation in all ancillary services for years. Its motivation is that demand-side resources offer greater flexibility to the system and support the decarbonisation process. Countries such as France, Portugal, and the United Kingdom also have several mechanisms for direct demand participation, enabling the use of these resources to meet system flexibility needs.