

# Fast Reserve

## Market Information for Tenders for April 2004

National Grid Transco publishes this information in order to inform potential participants of the Fast Reserve tender round for April 2004.

### Fast Reserve Availability

Our indicative daily requirement for Fast Reserve in April is shown on a Settlement Period basis in Figure 1. This requirement covers weekdays, Saturdays and Sundays.

*Fast Reserve Daily Requirement for April*

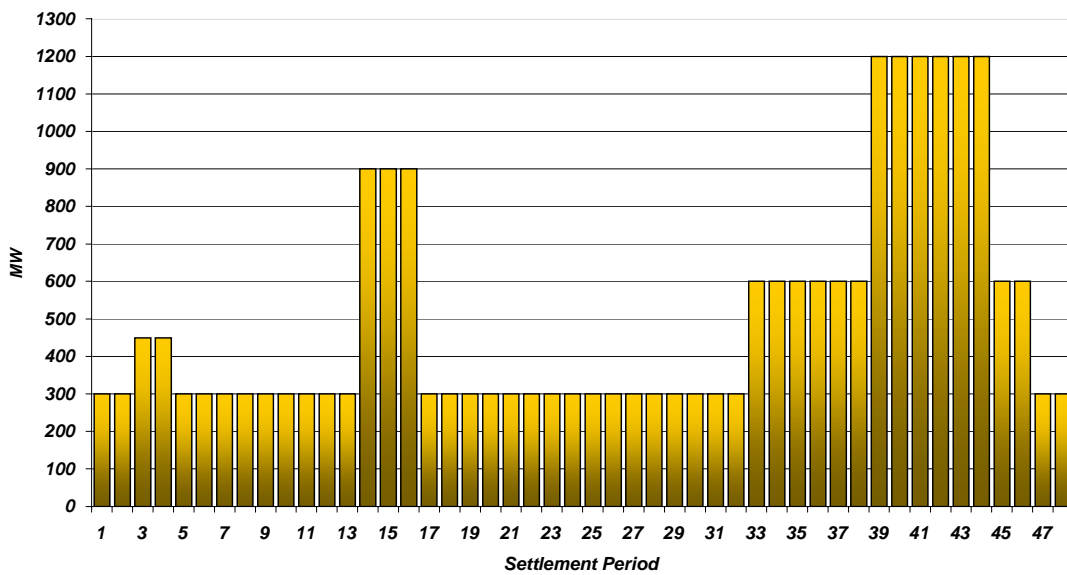


Figure 1

The graph shown in Figure 1 provides an indication of the times of day when Fast Reserve is most useful to National Grid Transco. The actual amount of Fast Reserve "holding" varies from day to day according to system conditions. On average this amounts to approximately one half of the daily requirement.

### Fast Reserve Utilisation

Figure 2 shows the daily utilisation of Fast Reserve in the Balancing Mechanism (BM) and elsewhere during January (1<sup>st</sup> – 31<sup>st</sup> January 2004) and February (1<sup>st</sup> – 29<sup>th</sup> February 2004). The BM information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve.

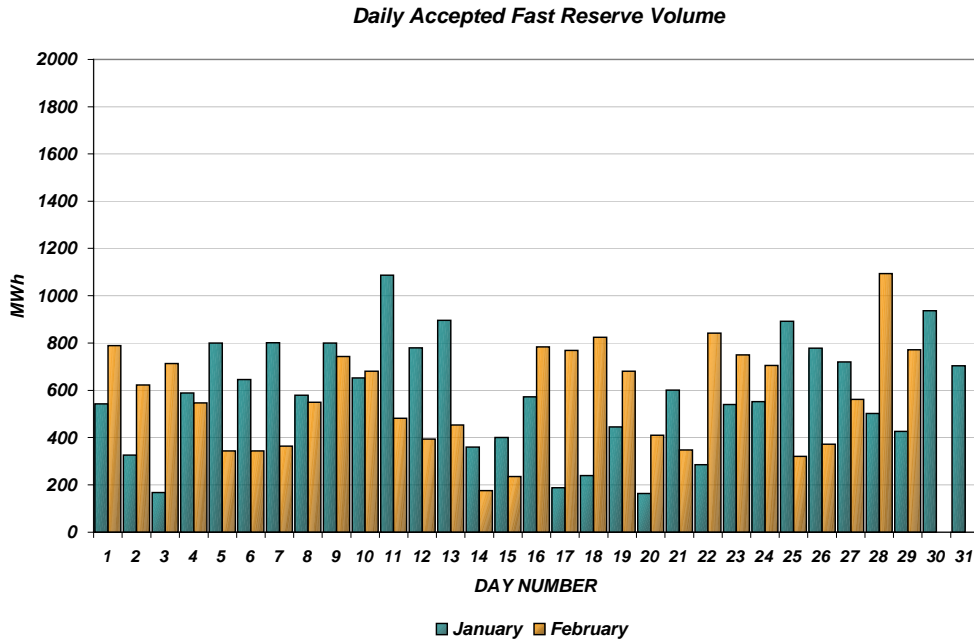


Figure 2

Figure 3 re-presents this data as an average utilisation per Settlement Period across each month. This shows the daily profile of Fast Reserve utilisation.

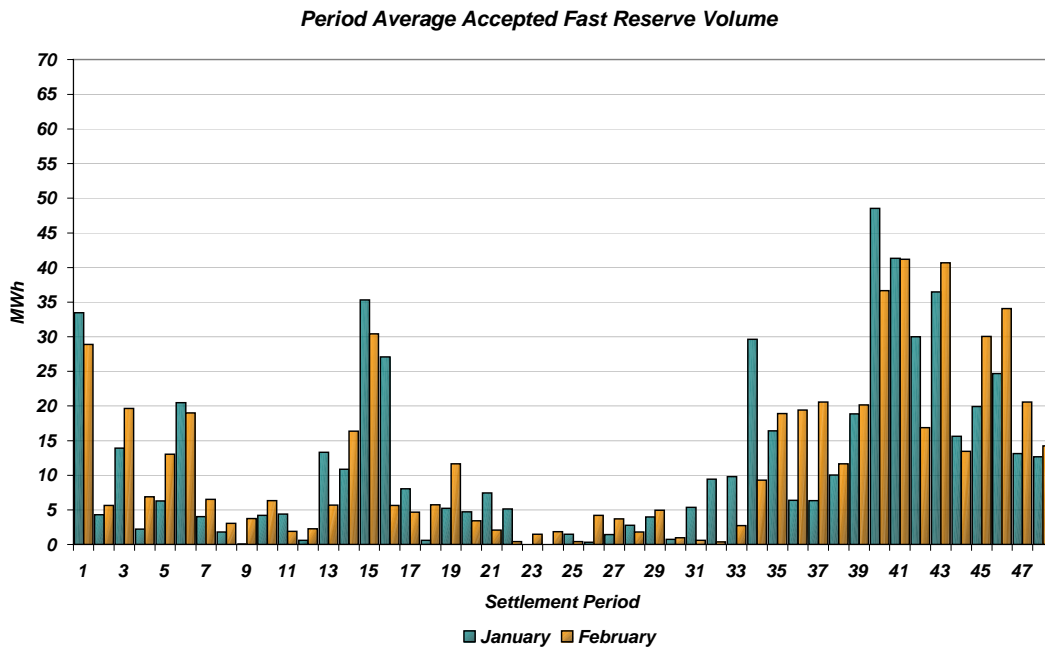


Figure 3

The total volumes of Fast Reserve utilisation were **18 GWh** in January and **16.7 GWh** in February broken down into price bands as follows:

January	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
<b>OFFERS</b>	2000 to 10000	0	n/a	n/a
	1000 to 2000	11	1,600	0.02
	300 to 1000	27	517	0.01
	0 to 300	17,278	128	2.21
<b>Total</b>		<b>17.3 GWh</b>		<b>£2.24 m</b>
<b>BIDS</b>	0 to 300	0	n/a	n/a
	-300 to 0	-504	-78	0.04
	-1000 to -300	-124	-482	0.06
	-2000 to -1000	-24	-1,500	0.04
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-0.7 GWh</b>		<b>£0.14 m</b>
<b>Total</b>		<b>18.0 GWh</b>		<b>£2.38 m</b>

February	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
<b>OFFERS</b>	2000 to 10000	0	n/a	n/a
	1000 to 2000	29	1,800	0.05
	300 to 1000	203	383	0.08
	0 to 300	16,254	132	2.15
<b>Total</b>		<b>16.5 GWh</b>		<b>£2.28 m</b>
<b>BIDS</b>	0 to 300	0	n/a	n/a
	-300 to 0	-89	-88	0.01
	-1000 to -300	-45	-550	0.02
	-2000 to -1000	-39	-1,320	0.05
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-0.2 GWh</b>		<b>£0.08 m</b>
<b>Total</b>		<b>16.7 GWh</b>		<b>£2.36 m</b>

The above Tables show that from January to February overall Fast Reserve utilisation fell by ~7% but spend fell by less than 1%.

For April, the demand shape will follow a typical spring profile. Fast Reserve utilisation patterns for April 2004 are expected to be similar to those seen in April 2003, allowing for a shift in the Easter holiday period from Fiscal Week 3 to Fiscal Week 1. Overall Fast Reserve utilisation is forecast to outturn similarly to March/April 2003.

For the month of **April** tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid Transco by close of business on Friday 12<sup>th</sup> March 2004. National Grid Transco will notify Service Providers of the outcome of the tender assessment by Friday 19<sup>th</sup> March 2004.

Tenders should be sent for the attention of:

Hannah Morgan  
Operations & Trading  
National Grid Transco plc  
NGT House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

Tenders can be sent by fax to Hannah Morgan on 01926 656612.