



National Grid

National Grid Reactive Market Report

**Tenth Tender Round for Obligatory and
Enhanced Reactive Power Services
for
Contracts Effective from 1st October 2002**

Prepared by

Operations & Trading

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Executive Summary

This report describes the 10th tender round evaluation process for reactive market contracts commencing 1st October 2002. It includes the prices and reactive capability data of the successful tenders. The report also includes metered Mvarh utilisation from all eligible service providers for the period 1st April 2002 to 30th September 2002. Estimates of the reactive contribution of the National Grid Transmission System for the same period are also included.

National Grid evaluated all the tenders received against economic purchase and technical performance criteria in accordance with the agreed terms of the market mechanism. On 9th August 2002, tenderers were notified of the results of their respective tenders. The main points are as follows:

- On 31st May 2002 ('Market Day') tenders were received from 52 BM Units representing 24 stations from 16 Generating Companies. All were in respect of the Grid Code Obligatory Reactive Power Service (ORPS) only. No tenders were received from non-BM Unit providers.
- Tenders received were for a duration of 12 or 18 months.
- Tenderers included portfolio, independent and embedded generating companies.
- Of the 52 tenders evaluated, National Grid offered Market Agreements to 29, of which 27 proceeded to contract.
- As at 1st October 2002 there are a total of 60 BM Units from a possible 156 on Reactive Market Agreements (27 from tender round 10, and 33 from earlier tender rounds).

The next 'Market Day' for receipt of tenders for Market Agreements commencing on 1st April 2003, is 29th November 2002. Invitation To Tender (ITT) packs for this so called tender round 11, have been available on the website since 4th October 2002.

BM Units with contracts commencing 1st October 2002 cannot be re-tendered until the 12th tender round, commencing 1st October 2003, at the earliest, in accordance with the 12 month minimum contract duration.

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1. Introduction

- 1.1 This market report provides information and results of the tender evaluation process, and describes the contractual position for the provision of Reactive Power Services to the National Grid Transmission System as at 1st October 2002.
- 1.2 This report also reviews the outcome of the 10th Reactive Power Market tender round in the context of previous tender rounds and the services delivered to the National Grid Transmission System.
- 1.3 National Grid manages the voltage of the supergrid system, to meet Transmission Licence requirements for secure and stable power transmission and to ensure quality of supply to customers. Voltages are largely determined by the flows of reactive power on the system. National Grid ensures that reactive power resources are provided on a local basis to meet the constantly varying needs of the system and that there is sufficient reactive power reserve available to meet contingencies.
- 1.4 Generating Units provide Reactive Power Capability, and have the ability to vary their reactive power output as a requirement of the Grid Code. The power system itself has inherent reactive power gains and losses, which vary in accordance with changes in real power flows and voltage. National Grid installs reactive compensation plant in parts of the system where there is insufficient generator reactive capability to meet licence requirements, and where voltages cannot be regulated effectively or economically by other means.
- 1.5 Dynamic reserves of reactive power are essential for system operation. National Grid values reactive capability as it gives rise to increased confidence in the availability of a post-fault service. Although the capability element of the Default Payment Mechanism (DPM) has ceased, National Grid still seeks capability based market agreements to ensure post fault reserves are maintained.
- 1.6 The 10th tender round has been undertaken to secure such capability based market agreements from 1st October 2002. The service definitions, requirements and contract terms may be found in the Connection & Use of System Code (CUSC), the Grid Code and the ITT (Invitation to Tender) Pack. These can be accessed via National Grid's industry website at:
www.nationalgrid.com/uk/indinfo

2. Tender Process

- 2.1 On 31st May 2002, National Grid held the 10th Reactive Power Market Day. This enabled any potential provider that fulfilled the qualification criteria specified in Schedule 3 of CUSC to tender for a Market Agreement.
- 2.2 Tenderers may elect to choose the length of their tender from a minimum period of 12 months and thereafter in 6 month increments (e.g 12, 18, 24, 30, 36 months etc.).
- 2.3 Tenderers submitting tenders for periods greater than 12 months are able to include indexation criteria on the tendered prices.
- 2.4 Tenderers may tender for either the ORPS and/or the Enhanced Reactive Power Service (ERPS), as defined in CUSC Schedule 3.
- 2.5 National Grid welcomes longer-term tenders and tenders offering ERPS. However the value of such contracts may change from year to year as system reactive needs evolve.
- 2.6 Potential tenderers comprise of the following:
- Generators required to provide the minimum Grid Code ORPS and already in receipt of the default payment arrangements, wishing to tender alternative payment terms for ORPS.
 - Generators that have a reactive capability in excess of that which it is obliged to provide as the ORPS, known as the "Grid Code Plus Enhanced Reactive Power Service".
 - Any other eligible Service Provider able to offer other plant or apparatus which can generate or absorb reactive power, known as ERPS. The only requirement is that these Service Providers must fulfil the market qualification criteria and be capable of making their capability available for use by National Grid¹.

¹ In the first instance any such provider interested in offering such a service should contact National Grid before submitting a tender

3. Tenders Submitted

- 3.1 A total of 52 discrete tender submissions were received, representing 16 generating companies and 24 power stations. All tenders were for BM Units offering the Grid Code ORPS service only, with contract duration of 12 and 18 months.
- 3.2 Tenders were received from both portfolio, independent and embedded generating companies. No tenders were received from non-BM providers.
- 3.3 Of the tenders received, all sought reactive capability biased payments in addition to utilisation payments.
- 3.4 All tenders were compliant with the submission criteria specified in CUSC Schedule 3.

4. Tender Assessment

- 4.1 Tender assessment was carried out in accordance with evaluation criteria specified in Appendix 6 of CUSC Schedule 3. Details of this are more fully described in Appendix 6 of this report.
- 4.2 This assessment included input from the Reactive Power Capability in Appendix B of the ITT Pack. The purpose of this index is to provide an indication of the reactive requirement in each of the zones defined. These requirements are based on the historic need for Reactive Power in the zones and any planned changes to National Grid's Transmission System (or the generation and demand connected to it), that are likely to affect the zonal reactive requirement.
- 4.3 Tenders were assessed via a process, which considers the following:
 - economics (i.e. cost of market compared with default),
 - the intrinsic capability value of the tendered reactive service (against the alternative of National Grid reactive assets);
 - a number of other criteria, for example how competitive the utilisation price is, and what incentive the Generator is placing on themselves to maintain the reactive capability.

Please refer to CUSC Schedule 3, Appendix 6 for full details on the qualification and evaluation criteria.

5. Tender Observations

- 5.1 All tenders were seeking capability worth. Some generators had made incremental changes in the balance between capability and utilisation prices in the light of their experience from previous rounds. Some had completely restructured their tenders changing the balance between capability and utilisation charges.
- 5.2 A feature of this tender round was the increased use of combinations of available and synchronised capability prices. Synchronised capability is more useful to us than available capability, but our valuation of the two differs for high-merit (i.e. base load) and for low-merit (i.e. peaking) plant. For high-merit plant, use of a synchronised capability price, as against a price on available capability, exposes the Generator to the technical risk of plant failure and it exposes National Grid to the uncertainty of the plant's commercial availability; on average we see fairly low value in this style of tender. For low-merit plant, the reactive capability is of much more value to the system when the plant is synchronised and the hours of running may be more at National Grid's control than the Generator's; and so we may be happy to award a tender to a plant with a relatively high price for synchronised capability, if this enables the Generator to lessen their price for available capability.
- 5.3 This tender round, as with previous ones, has taken into account our views on expected utilisation of generating plant in the energy market.
- 5.4 A number of tenderers appeared to be exploring price sensitivities across BM units (within a station).

6. Assessment Results

- 6.1 Of the 52 tenders evaluated, National Grid offered Market Agreements to 29, of which 27 proceeded to contract.
- 6.2 This acceptance rate of 29 out of 52 represents 56%. This acceptance rate is higher than our acceptance rates of 40-50% in tender rounds 8 and 9.
- 6.3 The range of assessment outcome is shown in figure 1 below. A number of tenders were unattractive, in that they sought capability payments significantly above expectations of default payments and National Grid's value of capability.

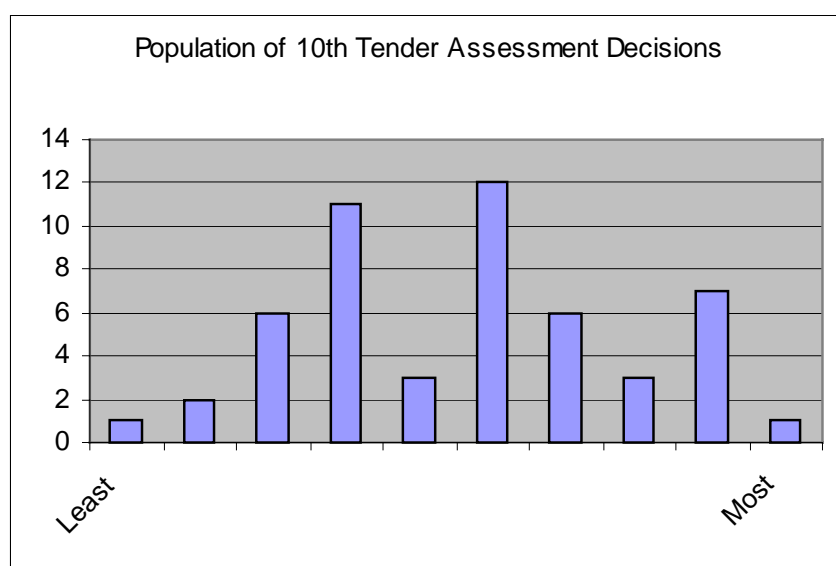


Figure 1

- 6.4 A complete list of all generator BM Units for 2002/2003 is given in Appendix 2. This list also records those BM Units that have signed market agreements. Whether or not they will be in a position to tender in round 11 depends upon their existing contractual status. Appendix 3 provides a definitive list of Market Agreements applicable from 1st October 2002, with Appendix 7 illustrating the geographic distribution of market and default agreements. Details of the successful tenders submitted for contracts commencing 1st October 2002 are listed in Appendix 4.

7. Comparisons with previous Tender Rounds

7.1 Figure 2 below shows the percentage participation of eligible BM units for all tender rounds since the commencement of the Reactive Power Market.

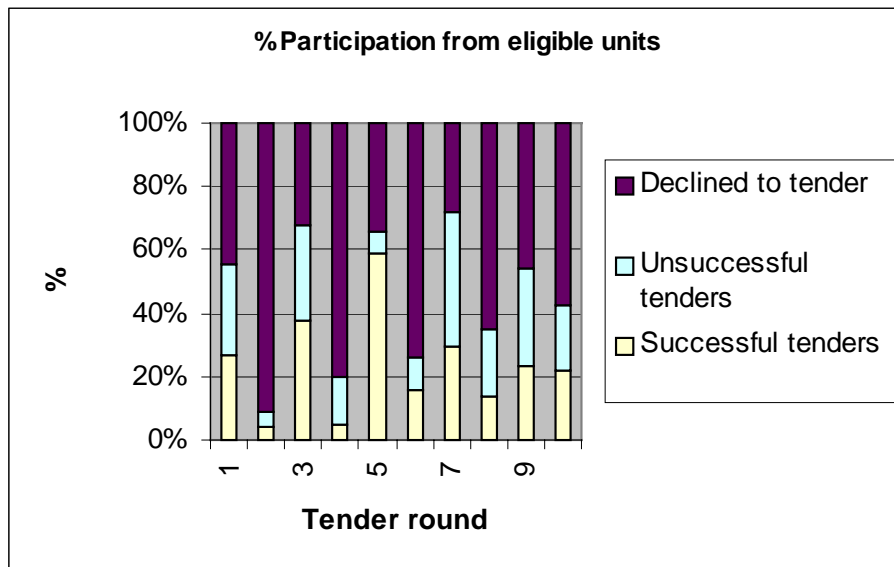


Figure 2 (Source: Appendix 1)

7.2 Figure 3 shows the % participation of eligible units for comparable tender rounds. Tender round 10 is comparable with tender rounds 2, 4, 6 and 8, as all occur at the same start of 1st October each year.

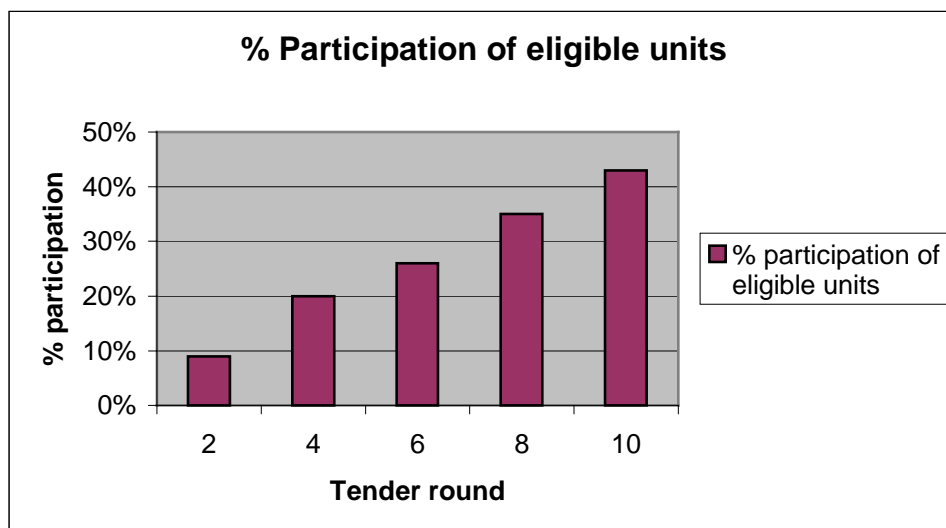


Figure 3 (Source: Appendix 1)

7.3 The success rate of eligible participants in tender round 10 is slightly higher than the previous comparable tender round. Figure 4 shows the success rates for all comparable tender rounds since the commencement of the Reactive Market.

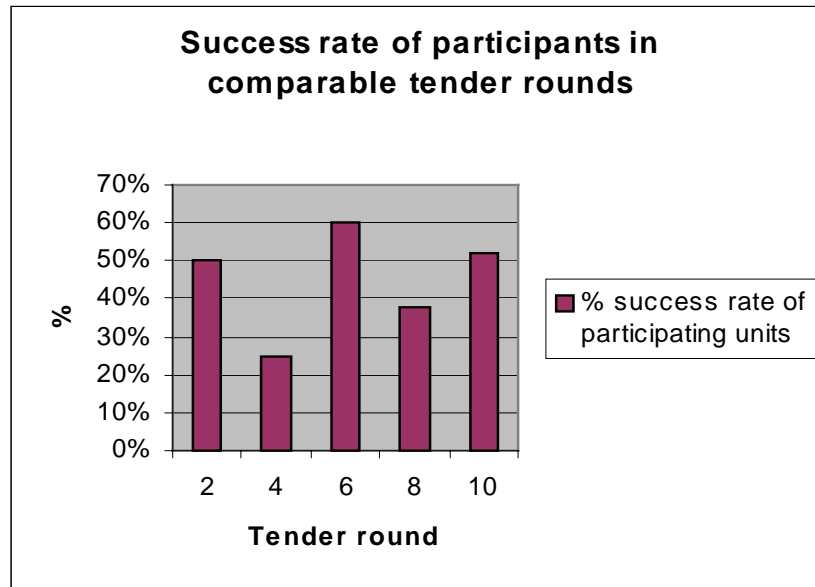


Figure 4 (Source: Appendix 1)

7.4 From 1st October 2002 there are a total of 60 BM Units on a reactive Market Agreement, 1 from tender round 5, 32 from tender round 9 and 27 from this tender. This information is shown in figure 5 in percentage terms.

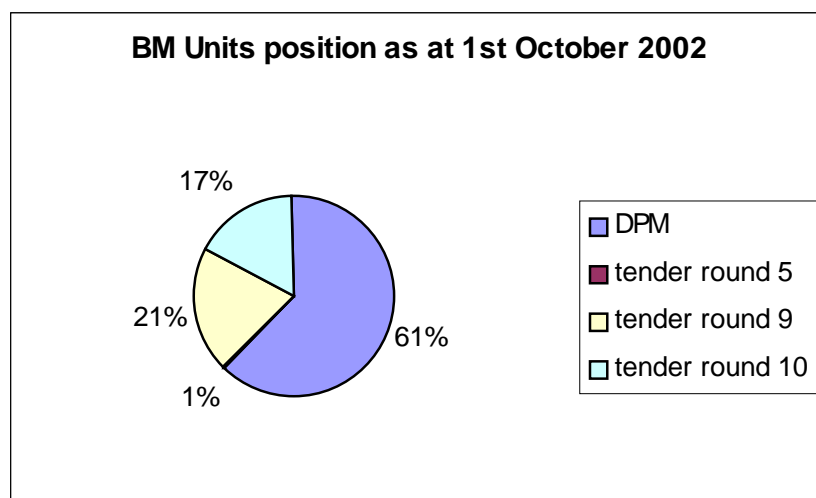


Figure 5 (Source: Appendix 2)

7.5 Figure 6 shows the percentage of BM Units on a Market Agreement as at 1st October 2002 on a region basis.

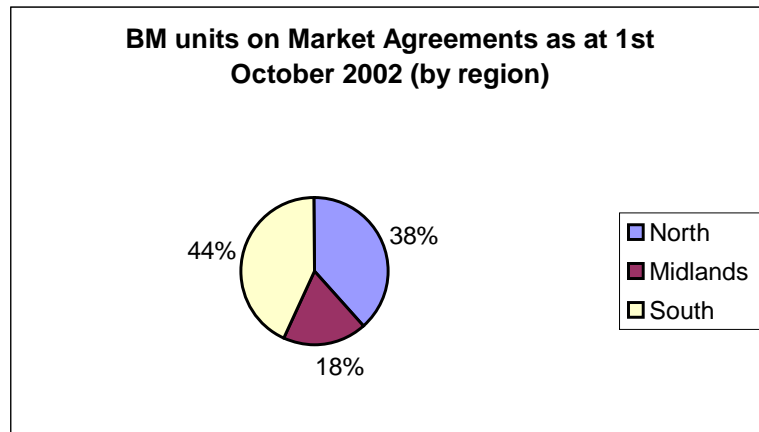


Figure 6 (Source: Appendix 2)

7.6 Figure 7 shows the % of total available lagging capability that has been contracted via Market Agreements since the commencement of the Reactive Power Market.

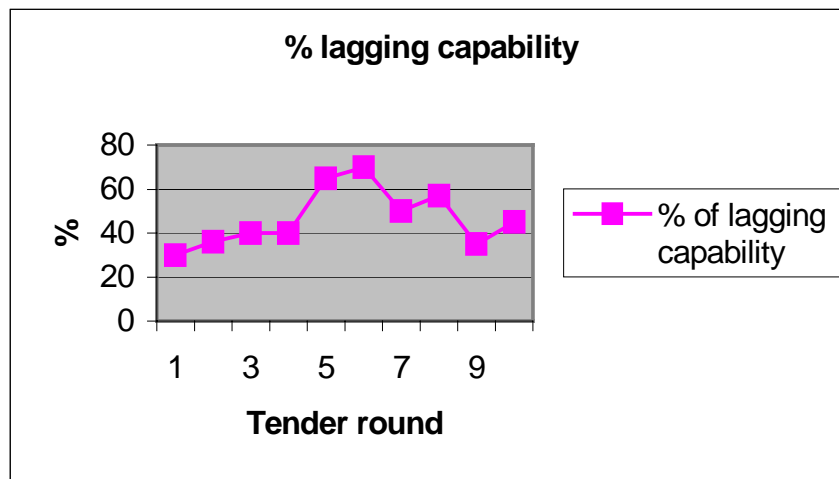


Figure 7 (Source: Appendix 1)

8. Generating Unit Reactive Mvarh Utilisation

- 8.1 This section summarises a six-month breakdown of reactive metered genset utilisation for the period 1st April 2002 to 30th September 2002.
- 8.2 Table 1 shows the Mvarh utilisation volumes (lead plus lag) for all eligible BM Units on a monthly basis. A breakdown by individual BM Unit for the period April 2002 to September 2002 is provided in Appendix 5.

Utilisation Volume (Mvarh)

Month	DPM	Market Agreements	Total = Market Agreements + DPM
Apr-02	1,104,707	563,493	1,668,200
May-02	1,192,603	650,481	1,843,084
Jun-02	1,055,132	552,379	1,607,511
Jul-02	1,206,105	640,190	1,846,295
Aug-02	1,233,519	541,816	1,775,335
Sep-02	1,340,058	636,226	1,976,284
Total	7,132,124	3,584,586	10,716,710

Table 1 - Summary of Generator Reactive utilisation Apr 02 – Sep 02

- 8.3 Table 2, on the next page, shows six monthly utilisation totals since 1996, sorted by the Seven Year Statement defined regions - North, Midland and South.
- 8.4 The volumes set out in table 2 refer to all BM Units eligible for a reactive utilisation payment. Mvarh lag and Mvarh lead are calculated according to the aggregation methodology described within Appendix 2 of CUSC Schedule 3 and also within the companion document "Methodology Document for the Aggregation of Reactive Power Metering" by which reactive utilisation payments are made.

	NORTH		MIDLANDS		SOUTH		TOTAL		
	lead	lag	lead	lag	Lead	lag	lead	Lag	lead + lag
Apr 96 - Sep 96	2.86	9.79	0.37	1.94	1.49	2.29	4.72	14.02	18.74
Oct 96 - Mar 97	2.72	12.71	0.36	3.07	1.74	2.72	4.82	18.50	23.32
Apr 97 - Sep 97	2.89	8.65	0.41	1.60	1.87	1.77	5.17	12.02	17.19
Oct 97 - Mar 98	2.78	10.67	0.31	3.07	1.54	2.01	4.63	15.75	20.38
Apr 98 - Sep 98	1.96	7.68	0.44	2.02	1.85	1.51	4.25	11.20	15.45
Oct 98 - Mar 99	1.71	9.54	0.36	2.07	1.65	1.66	3.76	13.48	17.24
Apr 99 - Sep 99	1.77	7.25	0.37	1.52	1.27	1.40	3.40	10.20	13.60
Oct 99 - Mar 00	1.98	10.45	0.27	2.13	1.35	2.19	3.60	14.77	18.37
Apr 00 - Sep 00	1.44	6.31	0.48	1.69	1.59	1.32	3.51	9.32	12.83
Oct 00 - Mar 01	1.52	7.40	0.40	2.72	1.48	1.73	3.40	11.85	15.25
Apr 01 - Sept 01	1.80	4.59	0.50	1.76	1.94	1.18	4.24	7.53	11.77
Oct 01 - Mar 02	1.70	5.79	0.58	3.07	1.50	1.78	3.79	10.65	14.44
Apr 02 - Sep 02	1.59	4.70	0.52	0.95	1.76	1.20	3.87	6.85	10.72

Table 2 – Generator Reactive Utilisation (Tvarh) by region

8.5 The reduction over the last 6 years is attributable to more distributed generation and lower power flows across the system has resulted in a reduction in reactive losses on the supergrid and hence the reactive utilisation required from generation.

9. Estimates of the reactive contribution of the National Grid Transmission System April 2002 to September 2002

9.1 National Grid is required by CUSC Schedule 3 to 'use all reasonable endeavours' to provide estimates of the Mvarh absorption and generation by the National Grid transmission system for the six-month period ending 30th September 2002.

9.2 This has been approached in two stages:

- The net reactive utilisation (Tvarh) of the National Grid system has been derived from the difference between the reactive output of generating units and the reactive demand at Grid Supply Points (GSPs). This is given in Table 3 where the accuracy of the data is consistent with the underlying meter readings.
- The net Tvarh described above has been broken down by National Grid system component and is shown in Table 4. It should be noted that this information is based on estimates and operational records only.

9.3 The simple reactive balance found in Table 3 can be described by the equation:

$$|\text{Generation Net Tvarh}| = |\text{Net Reactive Demand at GSPs Tvarh}| - |\text{Net NGC System Tvarh}|$$

For example, for July 2002, (1.06 - 0.79 = 5.14 - 4.87). From Table 3 it can be seen that the Tvarh contribution from generation is small compared with the other components of the equation.

9.4 The generation figures are a national monthly summation of the Settlements figures given in Appendix 5. At this stage, the data in table 3 may be subject to amendment, via accruals or any outstanding disputes.

9.5 The 'net reactive demand at GSP' figures have been derived from operational records. The figure shown is net, i.e. lagging demand minus leading demand, and in this case is lagging in each month. This figure represents the net effect of the consumer demand plus the LV losses minus the LV gain.

Component (Tvarh)	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	6 monthly Total
Generation Lead	-0.54	-0.61	-0.66	-0.79	-0.68	-0.60	-3.88
Generation Lag	1.13	1.24	0.95	1.06	1.10	1.38	6.86
Net Reactive Demand at GSPs	5.05	5.31	4.62	5.14	4.97	5.12	30.21
Net National Grid System	4.46	4.68	4.33	4.87	4.55	4.34	27.23

Table 3 - Net National Grid System Effect

9.6 The more detailed breakdown found in Table 4 can be described by the following equation:

- Generation Net Tvarh = Net Reactive Demand at GSPs - HV network shunt gain (BV^2) + HV network series loss (I^2X) + SGT series loss (I^2X_t) - Shunt capacitor gain - net SVC output + Shunt reactor loss.

9.7 The figures in Table 4 are estimates and provide an indication of the likely national reactive energy balance within the system.

Points to note when considering Table 4 include:

- HV gain varies due to circuit switching, outages and system operating voltage
- HV losses are driven by active power flows across the system
- Supergrid transformer series reactive losses are predominantly driven by local distribution company demand
- Switching of MSCs (Mechanically Switched Capacitors), SVCs (Static Var Compensator) and shunt reactors is determined by operational security requirements.

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Component (Tvarh)	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	6 month total
MSC	1.82	1.97	1.49	1.69	1.58	1.70	10.25
Shunt Reactor	-2.04	-1.92	-2.08	-1.96	-2.17	-1.90	-12.07
SVC generation	0.14	0.14	0.11	0.10	0.10	0.10	0.69
SVC absorption	-0.11	-0.13	-0.14	-0.11	-0.12	-0.17	-0.78
HV network shunt gain	8.71	8.59	8.48	8.58	8.60	8.45	51.41
HV network series losses	-2.20	-2.15	-1.92	-1.68	-1.77	-2.10	-11.82
SGT series losses	-1.86	-1.82	-1.61	-1.75	-1.67	-1.74	-10.45
Net NGC System Utilisation	4.46	4.68	4.33	4.87	4.55	4.34	27.23
Generation Lead	-0.54	-0.61	-0.66	-0.79	-0.68	-0.60	-3.88
Generation Lag	1.13	1.24	0.95	1.06	1.10	1.38	6.86
Net Demand at GSPs	5.05	5.31	4.62	5.14	4.97	5.12	30.21

Table 4 - Indicative breakdown of Net National Grid System Effect

10. Exceptional Reactive Power Requirements

- 10.1 CUSC Schedule 3, paragraph 5 (Statutory and Regulatory Obligations) enables National Grid to contract outside of the Reactive Power Market tender process in specific circumstances for the provision of exceptional reactive power services. National Grid is required to publish details of circumstances surrounding this in the preceding six month period. During the period 1st April 2002 – 30th September 2002 no such services were required by National Grid for the provision of voltage support.

Appendices

Appendix 1 - Comparisons with previous Tender Rounds

The table below provides a summary of the ten tender rounds to date.

Tender Round	Tender Round Start date	Eligible Units able to tender	No. of BM/Non BM Unit tenders Received	ORPS	ORPS + ERPS	12 month duration	>12 months duration	Successful Gensets Offered market agreements	Successful Gensets signing market agreements	% total Mvar lagging capability with market agreements
1	1 Apr 1998	154	85	76	9	85	0	41	41	~30%
2	1 Oct 1998	113	10	10	0	9	1	5	5	~36%
3	1 Apr 1999	150	102	102	0	102	0	75	57	~40%
4	1 Oct 1999	99	20	20	0	14	6	5	5	~40%
5	1 Apr 2000	151	99	98	1	97	2	98	89	~65%
6	1 Oct 2000	58	15	15	0	15	0	9	9	~70%
7	1 Apr 2001	145	104	104	0	104	0	43	43	~50%
8	1 Oct 2001	111	39	39	0	39	0	17	15	~57%
9	1 Apr 2002	138	76	76	0	68	8	32	32	~35%
10	1 Oct 2002	123	52	52	0	48	4	29	27	~45%

Appendix 2 - BM Units position at 1st October 2002

North

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
1	BRGG_01Z	Market 9	26	DRAXX12G	DPM	51	HMRPS04Z	DPM
2	CDCL_01Z	Market 9	27	EGGPS01Z	DPM	52	HMRPS05Z	Market 9
3	CNQPS01Z	Market 10	28	EGGPS02Z	DPM	53	HRTL_01Z	Market 10
4	CNQPS02Z	Market 10	29	EGGPS03Z	DPM	54	HRTL_02Z	Market 10
5	CNQPS03Z	Market 10	30	EGGPS04Z	DPM	55	KEAD_01Z	Market 9
6	CNQPS04Z	Market 10	31	FELL_01Z	DPM	56	KILNS01Z	Market 9
7	COTPS01Z	DPM	32	FERR_01Z	DPM	57	KILLP01Z	Market 9
8	COTPS02Z	DPM	33	FERR_02Z	DPM	58	KILLP02Z	DPM
9	COTPS03Z	DPM	34	FERR_03Z	DPM	59	ROCK_01Z	DPM
10	COTPS04Z	DPM	35	FERR_04Z	DPM	60	ROOS_01Z	Market 10
11	DEEP_01Z	DPM	36	FFES_01Z	DPM	61	SCCL_01Z	DPM
12	DINO_01Z	DPM	37	FFES_02Z	DPM	62	SCCL_02Z	DPM
13	DINO_02Z	DPM	38	FFES_03Z	DPM	63	SCCL_03Z	DPM
14	DINO_03Z	DPM	39	FFES_04Z	DPM	64	SHBA_01Z	DPM
15	DINO_04Z	DPM	40	FIDL_01Z	DPM	65	SHBA_02Z	DPM
16	DINO_05Z	DPM	41	FIDL_02Z	DPM	66	TESI_01Z	DPM
17	DINO_06Z	DPM	42	FIDL_03Z	DPM	67	TESI_02Z	DPM
18	DRAXX01Z	DPM	43	FIDL_04Z	DPM	68	WBUPS01Z	DPM
19	DRAXX02Z	Market 10	44	HEYM101Z	Market 10	69	WBUPS02Z	DPM
20	DRAXX03Z	DPM	45	HEYM102Z	Market 10	70	WBUPS03Z	DPM
21	DRAXX04Z	Market 10	46	HEYM207Z	Market 10	71	WBUPS04Z	DPM
22	DRAXX05Z	DPM	47	HEYM208Z	Market 10	72	WYLF_01Z	DPM
23	DRAXX06Z	Market 10	48	HMRPS01Z	Market 9	73	WYLF_02Z	DPM
24	DRAXX09G	DPM	49	HMRPS02Z	Market 9	74	WYLF_03Z	DPM
25	DRAXX10G	DPM	50	HMRPS03Z	Market 9	75	WYLF_04Z	DPM

Midlands

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
76	CORB_01Z	Market 5	84	KLYNA01Z	DPM	92	RUGPS07Z	DPM
77	DERW_01Z	Market 10	85	LBAR_01Z	DPM	93	RUGPS06G	DPM
78	DRKPS09Z	Market 9	86	PETEM01Z	DPM	94	RUGPS07G	DPM
79	DRKPS10Z	Market 9	87	RATS_01Z	Market 9	95	SIZB_01Z	DPM
80	DRKPS12Z	DPM	88	RATS_02Z	Market 9	96	SIZB_02Z	DPM
81	GYAR_01Z	DPM	89	RATS_03Z	Market 9	97	SIZEA01Z	DPM
82	IRNPS01Z	Market 9	90	RATS_04Z	Market 9	98	SIZEA02Z	DPM
83	IRNPS02Z	Market 9	91	RUGPS06Z	DPM	99	SUTB_01Z	Market 9

South

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
100	ABTHB07Z	DPM	119	DIDC_04G	DPM	138	KINO_03Z	Market 10
101	ABTHB08Z	DPM	120	DNGB_21Z	Market 9	139	KINO_04Z	Market 10
102	ABTHB09Z	DPM	121	DNGB_22Z	Market 9	140	LITTD01G	DPM
103	AESB_01Z	DPM	122	DUNGA01Z	DPM	141	LITTD02G	DPM
104	BARK_02Z	DPM	123	DUNGA02Z	DPM	142	LITTD03G	DPM
105	BARK_11Z	DPM	124	DUNGA03Z	DPM	143	LITTD01Z	Market 10
106	COSO_01Z	DPM	125	DUNGA04Z	DPM	144	LITTD02Z	Market 10
107	COWE_01Z	DPM	126	EECL_01Z	DPM	145	MEDP_01Z	DPM
108	COWE_02Z	DPM	127	FAWL_03Z	Market 9	146	OLDS_01Z	DPM
109	DAMC_01Z	Market 9	128	FAWN_01Z	DPM	147	OLDS_02Z	DPM
110	DIDC_01Z	Market 10	129	FIFO_13Z	Market 9	148	RYHPS01Z	Market 9
111	DIDC_02Z	DPM	130	FIFO_14Z	Market 9	149	SEAB_01Z	Market 10
112	DIDC_03Z	DPM	131	FIFO_15Z	Market 9	150	SEAB_02Z	Market 10
113	DIDC_04Z	Market 10	132	GRAI_01Z	Market 9	151	SHOS_01Z	DPM
114	DIDCB05Z	Market 9	133	GRAI_04Z	Market 9	152	TAYL_02Z	Market 9
115	DIDCB06Z	Market 9	134	HINB_07Z	Market 10	153	TAYL_03Z	Market 9
116	DIDC_01G	DPM	135	HINB_08Z	Market 10	154	TILBB08Z	DPM
117	DIDC_02G	DPM	136	KINO_01Z	Market 10	155	TILBB09Z	DPM
118	DIDC_03G	DPM	137	KINO_02Z	Market 10	156	TILBB10Z	DPM

Notes :

Market 5 refers to those contracts commencing 1st April 2000

Market 9 refers to those contracts commencing 1st April 2002

Market 10 refers to those contracts commencing 1st October 2002

Eligible BM Units are those of reactive capability, leading or lagging greater than 15 Mvar at the commercial boundary, and the further stipulations stated in CUSC Schedule 3. There are to date, no market contracts for Enhanced Capability.

Appendix 3 - Reactive Market Agreement status at 1st October 2002

Contracts Continuing on 1st October 2002			
	Company	BM Unit ID	Contract Expiry Date
1	AES Fifoots Point Ltd	FIFO-13	31/03/03
2	AES Fifoots Point Ltd	FIFO-14	31/03/03
3	AES Fifoots Point Ltd	FIFO-15	31/03/03
4	British Energy	DNGB_21Z	31/03/03
5	British Energy	DNGB_22Z	31/03/03
6	Corby	CORB_01Z	31/03/03
7	Cottam Development Centre Ltd	CDCL-1	31/03/03
8	Damhead Creek Ltd	DAMC_01Z	31/03/03
9	Innogy plc	DIDCB05Z	31/03/03
10	Innogy plc	DIDCB06Z	31/03/03
11	Innogy plc	FAWL_03Z	31/03/03
12	Keadby Generation Ltd	KEAD_01Z	31/03/03
13	Killingholme Power Ltd	KILNS01Z	31/03/03
14	Powergen UK plc	GRAI_01Z	30/09/03
15	Powergen UK plc	GRAI_04Z	31/03/03
16	Powergen UK plc	KILPS01Z	31/03/03
17	Powergen UK plc	RATS_01Z	31/03/03
18	Powergen UK plc	RATS_02Z	31/03/03
19	Powergen UK plc	RATS_03Z	30/09/03
20	Powergen UK plc	RATS_04Z	30/09/03
21	Powergen UK plc	TAYL_02Z	30/09/03
22	Powergen UK plc	TAYL_03Z	31/03/03
23	Regional Power Generators Ltd	BRGG_01Z	31/03/03
24	Scottish Power plc	RYEH_01Z	31/03/03
25	Sutton Bridge Power	SUTB_01Z	31/03/03
26	TXU Europe Drakelow Ltd*	DRKPS09Z	31/03/03
27	TXU Europe Drakelow Ltd*	DRKPS10Z	31/03/03
28	TXU Europe High Marnham Ltd*	HMRPS01Z	31/03/03
29	TXU Europe High Marnham Ltd*	HMRPS02Z	31/03/03
30	TXU Europe High Marnham Ltd*	HMRPS03Z	31/03/03
31	TXU Europe High Marnham Ltd*	HMRPS05Z	31/03/03
32	TXU Europe Ironbridge Ltd*	IRNPS01Z	31/03/03
33	TXU Europe Ironbridge Ltd*	IRNPS02Z	31/03/03

Note: * As of 21st October 2002 these stations are owned by Powergen UK plc

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New Contracts Commencing on 1st October 2002			
	Company	BM Unit ID	Contract Expiry Date
1	AES Drax Ltd	DRAXX02Z	30/09/03
2	AES Drax Ltd	DRAXX04Z	30/09/03
3	AES Drax Ltd	DRAXX06Z	30/09/03
4	British Energy	HEYM101Z	30/09/03
5	British Energy	HEYM102Z	30/09/03
6	British Energy	HEYM207Z	30/09/03
7	British Energy	HEYM208Z	30/09/03
8	British Energy	HINB_07Z	30/09/03
9	British Energy	HINB_08Z	30/09/03
10	British Energy	HRTL_01Z	30/09/03
11	British Energy	HRTL_02Z	30/09/03
12	Derwent Cogeneration	DERW_01Z	30/09/03
13	Innogy plc	DIDC_01Z	30/09/03
14	Innogy plc	DIDC_04Z	30/09/03
15	Innogy plc	LITTD01Z	30/09/03
16	Innogy plc	LITTD02Z	30/09/03
17	Lakeland Power Ltd	ROOS_01Z	30/09/03
18	Powergen UK plc	CONQ_01Z	31/03/04
19	Powergen UK plc	CONQ_02Z	30/09/03
20	Powergen UK plc	CONQ_03Z	31/03/04
21	Powergen UK plc	CONQ_04Z	30/09/03
22	Powergen UK plc	KINO_01Z	31/03/04
23	Powergen UK plc	KINO_02Z	30/09/03
24	Powergen UK plc	KINO_03Z	31/03/04
25	Powergen UK plc	KINO_04Z	30/09/03
26	Seabank Power Limited	SEAB_01Z	30/09/03
27	Seabank Power Limited	SEAB_01Z	30/09/03

**Appendix 4 - Successful tender details for contracts commencing
1st October 2002**

Company Name: AES Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX02Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 287	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 268
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.134	CA2Lead: 0.067	CA1Lead: 0.042	CA1Lag: 0.050	CA2Lag: 0.134	CA3Lag: 0.403
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.020	CS2Lead: 0.010	CS1Lead: 0.005	CS1Lag: 0.005	CS2Lag: 0.030	CS3Lag: 0.040
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.440	CU1Lead: 0.220	CU1Lag: 0.220	CU2Lag: 0.560	CU3Lag: 2.300

Company Name: AES Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX04Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 273	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 195	Q3:Lag 275
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.117	CA2Lead: 0.058	CA1Lead: 0.037	CA1Lag: 0.044	CA2Lag: 0.117	CA3Lag: 0.350
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.030	CS2Lead: 0.020	CS1Lead: 0.020	CS1Lag: 0.020	CS2Lag: 0.040	CS3Lag: 0.047
Utilisation Prices (£/Mvarh)	CU3Lead: 1.900	CU2Lead: 0.418	CU1Lead: 0.209	CU1Lag: 0.209	CU2Lag: 0.637	CU3Lag: 2.280

Company Name: AES Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX06Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 272	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 195	Q3:Lag 273
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.125	CA2Lead: 0.062	CA1Lead: 0.039	CA1Lag: 0.047	CA2Lag: 0.125	CA3Lag: 0.374
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.025	CS2Lead: 0.020	CS1Lead: 0.010	CS1Lag: 0.010	CS2Lag: 0.035	CS3Lag: 0.040
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.440	CU1Lead: 0.220	CU1Lag: 0.220	CU2Lag: 0.660	CU3Lag: 2.350

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Company Name: British Energy Generation (UK) Ltd			Station Name: Heysham 1			
Genset ID: HEYM101Z			Contract Period: 12 months			
Nominated GRC: 542 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 290	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 31
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.080	CA2Lead: 0.060	CA1Lead: 0.060	CA1Lag: 0.060	CA2Lag: 0.060	CA3Lag: 0.080
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.220	CU2Lead: 0.860	CU1Lead: 0.860	CU1Lag: 0.860	CU2Lag: 0.860	CU3Lag: 1.220

Company Name: British Energy Generation (UK) Ltd			Station Name: Heysham 1			
Genset ID: HEYM102Z			Contract Period: 12 months			
Nominated GRC: 522 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 290	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 328
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.080	CA2Lead: 0.060	CA1Lead: 0.060	CA1Lag: 0.060	CA2Lag: 0.060	CA3Lag: 0.080
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.220	CU2Lead: 0.860	CU1Lead: 0.860	CU1Lag: 0.860	CU2Lag: 0.860	CU3Lag: 1.220

Company Name: British Energy Generation (UK) Ltd			Station Name: Heysham 2			
Genset ID: HEYM207Z			Contract Period: 12 months			
Nominated GRC: 635 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 279	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 289
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.080	CA2Lead: 0.060	CA1Lead: 0.060	CA1Lag: 0.060	CA2Lag: 0.060	CA3Lag: 0.080
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.220	CU2Lead: 0.860	CU1Lead: 0.860	CU1Lag: 0.860	CU2Lag: 0.860	CU3Lag: 1.220

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Company Name: British Energy Generation (UK) Ltd			Station Name: Heysham 2			
Genset ID: HEYM208Z			Contract Period: 12 months			
Nominated GRC: 625 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 277	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 297
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.080	CA2Lead: 0.060	CA1Lead: 0.060	CA1Lag: 0.060	CA2Lag: 0.060	CA3Lag: 0.080
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.220	CU2Lead: 0.860	CU1Lead: 0.860	CU1Lag: 0.860	CU2Lag: 0.860	CU3Lag: 1.220

Company Name: British Energy Generation (UK) Ltd			Station Name: Hinkley Point B			
Genset ID: HINB_07Z			Contract Period: 12 months			
Nominated GRC: 628 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 306	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 259
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.080	CA2Lead: 0.040	CA1Lead: 0.030	CA1Lag: 0.030	CA2Lag: 0.040	CA3Lag: 0.080
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.200	CU2Lead: 0.820	CU1Lead: 0.820	CU1Lag: 0.820	CU2Lag: 0.820	CU3Lag: 1.200

Company Name: British Energy Generation (UK) Ltd			Station Name: Hinkley Point B			
Genset ID: HINB_08Z			Contract Period: 12 months			
Nominated GRC: 588 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 300	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 294
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.080	CA2Lead: 0.040	CA1Lead: 0.030	CA1Lag: 0.030	CA2Lag: 0.040	CA3Lag: 0.080
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.200	CU2Lead: 0.820	CU1Lead: 0.820	CU1Lag: 0.820	CU2Lag: 0.820	CU3Lag: 1.200

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Company Name: British Energy Generation (UK) Ltd			Station Name: Hartlepool			
Genset ID: HRTL_01Z			Contract Period: 12 months			
Nominated GRC: 558 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 298	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 298
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.100	CA2Lead: 0.080	CA1Lead: 0.070	CA1Lag: 0.070	CA2Lag: 0.080	CA3Lag: 0.100
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.250	CU2Lead: 0.900	CU1Lead: 0.870	CU1Lag: 0.870	CU2Lag: 0.900	CU3Lag: 1.250

Company Name: British Energy Generation (UK) Ltd			Station Name: Hartlepool			
Genset ID: HRTL_02Z			Contract Period: 12 months			
Nominated GRC: 550 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 298	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 200	Q3:Lag 303
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.100	CA2Lead: 0.080	CA1Lead: 0.070	CA1Lag: 0.070	CA2Lag: 0.080	CA3Lag: 0.100
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.250	CU2Lead: 0.900	CU1Lead: 0.870	CU1Lag: 0.870	CU2Lag: 0.900	CU3Lag: 1.250

Company Name: Derwent Cogeneration Ltd			Station Name: Derwent			
Genset ID: DERW_01Z			Contract Period: 12 months			
Nominated GRC: 232 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 92	Q2Lead: 70	Q1Lead: 50	Q1Lag: 50	Q2:Lag 70	Q3:Lag 93
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.045	CA2Lead: 0.040	CA1Lead: 0.040	CA1Lag: 0.040	CA2Lag: 0.042	CA3Lag: 0.045
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.450	CU2Lead: 0.750	CU1Lead: 0.400	CU1Lag: 0.400	CU2Lag: 0.750	CU3Lag: 1.450

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Company Name: Innogy plc			Station Name: Didcot A			
Genset ID: DIDC_01Z			Contract Period: 12 months			
Nominated GRC: 490 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 142	Q2Lead: 100	Q1Lead: 50	Q1Lag: 75	Q2:Lag 150	Q3:Lag 201
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.048	CA2Lead: 0.024	CA1Lead: 0.012	CA1Lag: 0.060	CA2Lag: 0.060	CA3Lag: 0.339
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.800	CU2Lead: 0.953	CU1Lead: 0.450	CU1Lag: 0.450	CU2Lag: 0.953	CU3Lag: 1.800

Company Name: Innogy plc			Station Name: Didcot A			
Genset ID: DIDC_04Z			Contract Period: 12 months			
Nominated GRC: 490 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 142	Q2Lead: 100	Q1Lead: 50	Q1Lag: 75	Q2:Lag 150	Q3:Lag 201
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.048	CA2Lead: 0.024	CA1Lead: 0.012	CA1Lag: 0.060	CA2Lag: 0.060	CA3Lag: 0.339
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.800	CU2Lead: 0.953	CU1Lead: 0.450	CU1Lag: 0.450	CU2Lag: 0.953	CU3Lag: 1.800

Company Name: Innogy plc			Station Name: Littlebrook			
Genset ID: LITTD01Z			Contract Period: 12 months			
Nominated GRC: 685 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 297	Q2Lead: 175	Q1Lead: 100	Q1Lag: 50	Q2:Lag 140	Q3:Lag 198
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.008	CA2Lead: 0.004	CA1Lead: 0.001	CA1Lag: 0.003	CA2Lag: 0.008	CA3Lag: 0.174
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.240	CS2Lead: 0.120	CS1Lead: 0.040	CS1Lag: 0.240	CS2Lag: 0.400	CS3Lag: 1.040
Utilisation Prices (£/Mvarh)	CU3Lead: 1.800	CU2Lead: 0.800	CU1Lead: 0.300	CU1Lag: 0.300	CU2Lag: 0.800	CU3Lag: 1.800

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Company Name: Innogy plc			Station Name: Littlebrook			
Genset ID: LITTD02Z			Contract Period: 12 months			
Nominated GRC: 685 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 297	Q2Lead: 175	Q1Lead: 100	Q1Lag: 50	Q2:Lag 140	Q3:Lag 198
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.008	CA2Lead: 0.004	CA1Lead: 0.001	CA1Lag: 0.003	CA2Lag: 0.008	CA3Lag: 0.174
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.240	CS2Lead: 0.120	CS1Lead: 0.040	CS1Lag: 0.240	CS2Lag: 0.400	CS3Lag: 1.040
Utilisation Prices (£/Mvarh)	CU3Lead: 1.800	CU2Lead: 0.800	CU1Lead: 0.300	CU1Lag: 0.300	CU2Lag: 0.800	CU3Lag: 1.800

Company Name: Lakeland Power Ltd			Station Name: Roosecote			
Genset ID: ROOS_01Z			Contract Period: 12 months			
Nominated GRC: 229 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 101	Q2Lead: 90	Q1Lead: 50	Q1Lag: 50	Q2:Lag 90	Q3:Lag 112
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.000	CA2Lead: 0.000	CA1Lead: 0.000	CA1Lag: 0.000	CA2Lag: 0.000	CA3Lag: 0.000
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.150	CS2Lead: 0.040	CS1Lead: 0.030	CS1Lag: 0.030	CS2Lag: 0.040	CS3Lag: 0.150
Utilisation Prices (£/Mvarh)	CU3Lead: 0.800	CU2Lead: 0.600	CU1Lead: 0.500	CU1Lag: 0.500	CU2Lag: 0.600	CU3Lag: 0.800

Company Name: Powergen UK plc			Station Name: Connahs Quay			
Genset ID: CONQ_01Z			Contract Period: 18 months			
Nominated GRC: 355 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 176	Q2Lead: 140	Q1Lead: 48	Q1Lag: 48	Q2:Lag 125	Q3:Lag 155
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.026	CA2Lead: 0.025	CA1Lead: 0.024	CA1Lag: 0.024	CA2Lag: 0.025	CA3Lag: 0.026
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.055	CS2Lead: 0.054	CS1Lead: 0.053	CS1Lag: 0.053	CS2Lag: 0.054	CS3Lag: 0.055
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.127	CU1Lead: 0.085	CU1Lag: 0.170	CU2Lag: 0.171	CU3Lag: 2.000

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Company Name: Powergen UK plc			Station Name: Connahs Quay			
Genset ID: CONQ_02Z			Contract Period: 12 months			
Nominated GRC: 355 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 176	Q2Lead: 140	Q1Lead: 48	Q1Lag: 48	Q2:Lag 125	Q3:Lag 155
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.024	CA2Lead: 0.023	CA1Lead: 0.022	CA1Lag: 0.022	CA2Lag: 0.023	CA3Lag: 0.024
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.055	CS2Lead: 0.054	CS1Lead: 0.053	CS1Lag: 0.053	CS2Lag: 0.054	CS3Lag: 0.055
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.127	CU1Lead: 0.085	CU1Lag: 0.170	CU2Lag: 0.171	CU3Lag: 2.000

Company Name: Powergen UK plc			Station Name: Connahs Quay			
Genset ID: CONQ_03Z			Contract Period: 18 months			
Nominated GRC: 355 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 177	Q2Lead: 140	Q1Lead: 48	Q1Lag: 48	Q2:Lag 125	Q3:Lag 155
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.026	CA2Lead: 0.025	CA1Lead: 0.024	CA1Lag: 0.024	CA2Lag: 0.025	CA3Lag: 0.026
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.054	CS2Lead: 0.053	CS1Lead: 0.052	CS1Lag: 0.052	CS2Lag: 0.053	CS3Lag: 0.054
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.127	CU1Lead: 0.085	CU1Lag: 0.170	CU2Lag: 0.171	CU3Lag: 2.000

Company Name: Powergen UK plc			Station Name: Connahs Quay			
Genset ID: CONQ_04Z			Contract Period: 12 months			
Nominated GRC: 355 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 177	Q2Lead: 140	Q1Lead: 48	Q1Lag: 48	Q2:Lag 125	Q3:Lag 155
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.026	CA2Lead: 0.025	CA1Lead: 0.024	CA1Lag: 0.024	CA2Lag: 0.025	CA3Lag: 0.026
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.055	CS2Lead: 0.054	CS1Lead: 0.053	CS1Lag: 0.053	CS2Lag: 0.054	CS3Lag: 0.055
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.127	CU1Lead: 0.085	CU1Lag: 0.170	CU2Lag: 0.171	CU3Lag: 2.000

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Company Name: Powergen UK plc			Station Name: Kingsnorth			
Genset ID: KINO_01Z			Contract Period: 18 months			
Nominated GRC: 485 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 133	Q2Lead: 100	Q1Lead: 48	Q1Lag: 73	Q2:Lag 165	Q3:Lag 195
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.032	CA2Lead: 0.031	CA1Lead: 0.030	CA1Lag: 0.030	CA2Lag: 0.031	CA3Lag: 0.032
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.051	CS2Lead: 0.050	CS1Lead: 0.049	CS1Lag: 0.049	CS2Lag: 0.050	CS3Lag: 0.051
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.265	CU1Lead: 0.177	CU1Lag: 0.354	CU2Lag: 0.355	CU3Lag: 2.000

Company Name: Powergen UK plc			Station Name: Kingsnorth			
Genset ID: KINO_02Z			Contract Period: 12 months			
Nominated GRC: 485 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 132	Q2Lead: 100	Q1Lead: 48	Q1Lag: 73	Q2:Lag 165	Q3:Lag 196
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.031	CA2Lead: 0.030	CA1Lead: 0.029	CA1Lag: 0.029	CA2Lag: 0.030	CA3Lag: 0.031
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.051	CS2Lead: 0.050	CS1Lead: 0.049	CS1Lag: 0.049	CS2Lag: 0.050	CS3Lag: 0.051
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.265	CU1Lead: 0.177	CU1Lag: 0.354	CU2Lag: 0.355	CU3Lag: 2.000

Company Name: Powergen UK plc			Station Name: Kingsnorth			
Genset ID: KINO_03Z			Contract Period: 18 months			
Nominated GRC: 485 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 128	Q2Lead: 100	Q1Lead: 48	Q1Lag: 73	Q2:Lag 165	Q3:Lag 201
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.032	CA2Lead: 0.031	CA1Lead: 0.030	CA1Lag: 0.030	CA2Lag: 0.031	CA3Lag: 0.032
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.051	CS2Lead: 0.050	CS1Lead: 0.049	CS1Lag: 0.049	CS2Lag: 0.050	CS3Lag: 0.051
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.265	CU1Lead: 0.177	CU1Lag: 0.354	CU2Lag: 0.355	CU3Lag: 2.000

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Company Name: Powergen UK plc			Station Name: Kingsnorth			
Genset ID: KINO_04Z			Contract Period: 12 months			
Nominated GRC: 485 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 133	Q2Lead: 100	Q1Lead: 48	Q1Lag: 73	Q2:Lag 165	Q3:Lag 195
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.028	CA2Lead: 0.027	CA1Lead: 0.026	CA1Lag: 0.026	CA2Lag: 0.027	CA3Lag: 0.028
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.051	CS2Lead: 0.050	CS1Lead: 0.049	CS1Lag: 0.049	CS2Lag: 0.050	CS3Lag: 0.051
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.265	CU1Lead: 0.177	CU1Lag: 0.354	CU2Lag: 0.355	CU3Lag: 2.000

Company Name: Seabank Power Ltd			Station Name: Seabank			
Genset ID: SEAB_01Z			Contract Period: 12 months			
Nominated GRC: 755 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 361	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 242	Q3:Lag 346
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.011	CA2Lead: 0.008	CA1Lead: 0.002	CA1Lag: 0.016	CA2Lag: 0.046	CA3Lag: 0.183
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.800	CU2Lead: 0.410	CU1Lead: 0.350	CU1Lag: 0.350	CU2Lag: 0.390	CU3Lag: 2.030

Company Name: Seabank Power Ltd			Station Name: Seabank			
Genset ID: SEAB_02Z			Contract Period: 12 months			
Nominated GRC: 385 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 187	Q2Lead: 100	Q1Lead: 25	Q1Lag: 50	Q2:Lag 121	Q3:Lag 173
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.020	CA2Lead: 0.014	CA1Lead: 0.004	CA1Lag: 0.028	CA2Lag: 0.079	CA3Lag: 0.314
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 1.800	CU2Lead: 0.410	CU1Lead: 0.350	CU1Lag: 0.350	CU2Lag: 0.390	CU3Lag: 2.030

Appendix 5 - Generation Utilisation Volumes by Unit – April 2002 – September 2002

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Apr-02		May-02		Jun-02		Jul-02		Aug-02		Sep-02		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
ABTHB07Z	D	3,508	2,813	1,040	1,345	81	1,804	2,095	7,463	1,577	3,156	5,250	7,638	13,549	24,218
ABTHB08Z	D	1,567	2,737	458	2,866	309	1,355	6,025	5,124	786	2,051	1,945	8,872	11,090	23,005
ABTHB09Z	D	3,418	3,795	1,182	2,727	203	152	1,872	3,765	853	3,575	2,004	8,350	9,531	22,364
AESB_01Z	D	2,056	4,377	1,586	9,157	43	1,922	825	4,879	954	5,051	1,278	4,971	6,742	30,358
BARK_02Z	D	2,426	1,049	9,231	4,602	14,726	11,739	14,918	13,585	16,685	14,130	16,574	22,201	74,560	67,305
BARK_11Z	D	2,072	513	272	0	8,385	6,582	10,166	11,098	15,250	13,166	14,118	17,798	50,263	49,157
BRGG_01Z	M	4,193	1,296	3,839	545	3,345	842	1,847	2,723	2,160	1,785	867	4,403	16,250	11,593
BRWE_01Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BRWE_02Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BRWE_03Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BRWE_04Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BRWE_05Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BRWE_06Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CDCL_01Z	M	3,318	21,495	6,402	19,577	7,508	10,185	3,811	10,117	6,086	21,934	4,350	23,548	31,475	106,856
CNQPS01Z	D	4,192	6,081	3,349	8,794	1,646	11,113	1,532	5,600	5,492	7,351	2,500	8,951	18,711	47,890
CNQPS02Z	D	3,772	6,765	3,050	8,933	1,582	10,369	1,735	3,354	1,306	4,145	3,162	8,619	14,606	42,185
CNQPS03Z	D	3,196	6,663	2,562	11,565	1,508	10,823	1,411	5,378	5,426	9,164	2,893	12,947	16,996	56,540
CNQPS04Z	D	1,379	4,565	3,154	10,083	1,253	11,237	1,544	4,843	3,501	9,105	2,586	11,512	13,417	51,345
CORB_01Z	M	3,294	7,476	2,986	12,103	970	175	3,688	2,802	3,306	4,481	3,259	9,733	17,503	36,769
COSO_01Z	D	4,851	2,137	2,167	4,152	6,748	773	6,034	2,063	2,478	5,070	2,643	3,910	24,920	18,105
COTPS01Z	D	2,298	15,394	2,432	15,095	1,163	9,306	2,097	6,167	1,664	14,138	2,884	19,151	12,537	79,252
COTPS02Z	D	761	7,773	858	7,705	464	4,805	1,455	8,979	0	0	0	0	3,538	29,262
COTPS03Z	D	0	0	0	0	335	987	1,622	4,979	1,923	8,932	1,629	21,373	5,509	36,271
COTPS04Z	D	1,046	12,331	1,412	12,674	2,754	9,117	1,684	7,881	1,592	13,317	2,260	22,136	10,748	77,456
COWE_01Z	D	0	35	0	16	0	8	0	14	0	0	0	1	0	74

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BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Apr-02		May-02		Jun-02		Jul-02		Aug-02		Sep-02		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
COWE_02Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DAMC_01Z	M	13,371	8,681	21,397	8,244	23,293	10,306	26,052	10,295	16,110	10,371	21,625	15,719	121,848	63,616
DEEP_01Z	M	0	0	1,794	10,131	4,052	8,292	7,554	7,874	5,037	7,695	3,799	12,829	22,236	46,821
DERW_01Z	D	4,223	3,204	4,245	2,950	3,337	3,121	3,823	3,222	2,197	5,921	3,695	3,850	21,521	22,269
DIDC_01G	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_01Z	M	0	0	0	0	2,256	3,257	12,158	13,532	6,104	8,588	4,460	13,887	24,978	39,264
DIDC_02G	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_02Z	D	1,999	3,002	6,281	4,532	3,619	7,540	7,299	6,088	9,220	5,749	6,683	12,686	35,100	39,598
DIDC_03G	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_03Z	D	2,527	7,448	240	5,970	2,182	7,136	6,016	9,108	1,905	954	0	0	12,871	30,616
DIDC_04G	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_04Z	M	1,244	2,442	3,264	5,753	841	1,956	0	0	0	0	0	0	5,348	10,151
DIDCB05Z	M	17,418	13,553	20,700	13,585	27,477	11,924	13,235	11,070	9,980	9,017	71	0	88,880	59,149
DIDCB06Z	M	16,157	13,856	20,280	9,192	27,640	11,374	25,383	15,040	19,010	10,456	15,811	18,359	124,282	78,277
DINO_01Z	D	5,647	1,148	10,012	1,342	9,486	1,445	10,000	1,842	7,815	2,244	6,138	3,894	49,099	11,914
DINO_02Z	D	2,969	2,842	5,917	1,297	6,305	759	4,652	1,162	3,350	1,076	3,846	1,652	27,039	8,789
DINO_03Z	D	4,386	2,225	12,083	2,895	11,915	855	12,192	440	7,102	1,244	10,072	1,591	57,750	9,250
DINO_04Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DINO_05Z	D	2,503	3,276	8,462	3,112	8,552	2,412	4,770	2,360	3,106	2,488	4,145	2,734	31,538	16,382
DINO_06Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DNGB_21Z	M	1,974	1,616	5,189	4,678	11,076	3,468	17,973	6,880	17,186	628	14,942	3,700	68,340	20,968
DNGB_22Z	M	16,777	3,475	19,840	2,048	5,600	1,576	22,995	2,616	2,641	89	0	0	67,854	9,804
DRAXX01Z	D	6,567	37,552	3,494	32,237	9,794	24,731	11,657	33,634	7,276	38,116	4,700	30,104	43,488	196,374
DRAXX02Z	D	256	20,562	2,112	38,778	4,375	17,527	2,920	5,611	1,984	2,962	6,004	15,840	17,651	101,279
DRAXX03Z	D	16,089	9,266	9,311	8,446	0	0	8,769	6,032	3,588	30,793	2,667	25,584	40,423	80,120
DRAXX04Z	D	5,456	26,152	5,777	37,700	10,933	24,191	933	6,027	0	0	5,178	24,034	28,278	118,103
DRAXX05Z	D	1,936	27,552	3,289	25,305	2,328	23,118	13,192	34,007	8,691	22,385	1,559	16,357	30,996	148,724

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BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Apr-02		May-02		Jun-02		Jul-02		Aug-02		Sep-02		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
DRAXX06Z	D	1,157	28,457	2,104	34,655	5,304	17,487	2,536	19,131	4,523	27,085	6,185	39,734	21,809	166,550
DRAXX09G	D	5	8	0	5	0	0	0	0	0	7	0	9	5	29
DRAXX10G	D	0	0	0	0	0	0	0	0	0	9	0	0	0	9
DRAXX12G	D	5	2	4	0	0	0	0	0	0	2	0	0	9	3
DRKPS09Z	M	5,154	12,074	5,574	10,175	1,620	7,849	2,857	5,232	791	584	7,534	5,528	23,531	41,442
DRKPS10Z	M	0	0	0	0	0	0	0	0	0	0	307	325	307	325
DRKPS12Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DUNGA01Z	D	1,704	1,721	0	0	1,618	150	2,733	1,823	6,481	519	5,933	697	18,468	4,909
DUNGA02Z	D	438	3,789	0	0	644	2,580	1,624	2,834	4,690	1,486	3,100	1,382	10,496	12,070
DUNGA03Z	D	1,803	1,985	3,346	3,364	2,021	987	2,469	1,688	6,692	714	6,264	1,192	22,595	9,930
DUNGA04Z	D	3,639	1,508	5,364	1,383	4,706	699	5,920	368	9,892	450	5,704	848	35,226	5,256
EECL_01Z	D	2,383	8,529	2,843	9,288	3,635	5,632	3,063	7,271	1,087	5,052	1,405	3,727	14,415	39,499
EGGPS01Z	D	1,795	6,145	992	5,057	0	0	0	0	22	494	2,425	13,425	5,234	25,121
EGGPS02Z	D	1,340	8,440	2,140	8,584	3,852	13,266	2,617	9,906	475	2,348	657	1,388	11,080	43,932
EGGPS03Z	D	0	0	977	3,302	0	0	0	0	0	0	0	0	977	3,302
EGGPS04Z	D	1,317	8,812	1,377	8,373	2,784	13,697	1,325	6,150	324	6,448	3,886	19,261	11,014	62,741
FAWL_03Z	M	0	0	0	0	0	0	0	0	0	0	3	60	3	60
FAWN_01Z	D	2,547	283	3,043	400	1,321	706	414	695	584	929	161	398	8,069	3,412
FELL_01Z	D	342	6,655	1,298	4,855	695	4,837	1,123	5,640	797	4,898	56	12,265	4,312	39,149
FERR_01Z	D	1,345	8,161	825	11,038	2,287	7,404	2,507	9,284	866	12,581	2,637	16,788	10,467	65,255
FERR_02Z	D	1,021	8,372	1,557	8,719	2,848	5,336	2,410	7,466	1,344	14,996	1,492	13,902	10,673	58,791
FERR_03Z	D	1,109	11,769	2,119	8,666	1,099	7,222	1,651	4,625	0	0	1,040	10,605	7,019	42,886
FERR_04Z	D	31	160	0	0	0	0	937	5,760	485	18,171	1,277	17,020	2,731	41,111
FFES_01Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FFES_02Z	D	87	715	172	1,190	235	1,021	762	801	1,671	178	1,342	157	4,269	4,062
FFES_03Z	D	1,431	632	1,792	606	1,709	516	774	123	1,656	245	1,479	335	8,841	2,457
FFES_04Z	D	1,367	68	1,798	218	1,608	72	599	81	1,272	241	1,776	259	8,420	939

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BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Apr-02		May-02		Jun-02		Jul-02		Aug-02		Sep-02		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
FIDL_01Z	D	3,723	1,280	352	6	0	0	0	0	3,881	2,162	6,579	3,888	14,534	7,337
FIDL_02Z	D	2,664	1,198	895	29	3,885	962	7,667	1,031	5,423	1,890	3,425	5,111	23,959	10,220
FIDL_03Z	D	6,952	107	7,494	613	6,004	351	18,150	502	13,202	108	16,682	486	68,484	2,167
FIDL_04Z	D	8,059	623	5,603	701	9,796	203	4,995	979	0	0	4,513	376	32,966	2,882
FIFO_13Z	M	122	20	0	0	0	0	0	0	0	0	0	0	122	20
FIFO_14Z	M	47	9	0	0	0	0	0	0	0	0	0	0	47	9
FIFO_15Z	M	11	9	0	0	0	0	0	0	0	0	0	0	11	9
GRAI_01Z	M	0	0	156	400	0	0	0	0	7	53	58	522	221	975
GRAI_04Z	M	0	0	0	0	0	0	0	0	0	0	1	0	1	0
HEYM101Z	D	8,597	18,786	16,635	43,888	18,432	30,020	23,333	26,073	19,380	28,191	8,539	21,862	94,915	168,820
HEYM102Z	D	12,931	22,502	3,723	15,298	8	0	4,109	2,537	20,140	26,081	18,591	43,134	59,503	109,553
HEYM207Z	D	0	88,754	0	105,318	0	88,256	0	85,100	1,485	72,271	181	31,473	1,666	471,173
HEYM208Z	D	10,339	29,101	15,106	32,514	15,245	24,228	26,389	21,111	22,411	23,079	12,404	23,602	101,893	153,635
HINB_07Z	D	6,824	4,764	8,988	2,514	28,472	672	38,391	1,860	32,784	2,457	36,802	3,325	152,261	15,591
HINB_08Z	D	18,791	5,233	24,204	7,356	37,323	1,605	39,277	3,094	33,457	2,876	7,625	660	160,677	20,824
HMRPS01Z	M	1,660	2,225	1,286	2,305	1,256	1,202	657	584	946	1,326	1,925	1,966	7,730	9,608
HMRPS02Z	M	0	0	0	0	2,137	487	1,151	974	2,110	821	2,031	2,141	7,429	4,423
HMRPS03Z	M	885	2,233	1,029	2,643	594	1,789	760	1,554	1,039	1,173	1,032	2,066	5,340	11,457
HMRPS04Z	D	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HMRPS05Z	M	0	0	0	0	3,039	282	6,673	135	3,515	216	6,331	698	19,558	1,331
HRTL_01Z	D	623	59,138	3,762	50,577	2,051	41,764	568	43,818	1,555	53,751	1,102	62,928	9,661	311,976
HRTL_02Z	D	428	54,142	1,396	54,616	2,320	39,330	2,871	53,399	1,804	51,866	1,100	34,324	9,919	287,676
IRNPS01Z	M	4,512	5,639	4,330	12,571	2,887	6,028	4,916	5,019	5,255	7,867	3,372	6,442	25,272	43,566
IRNPS02Z	M	5,522	7,499	1,828	18,290	2,626	7,316	6,030	7,369	4,368	7,183	4,821	9,739	25,195	57,396
KEAD_01Z	M	6,174	50,268	3,481	66,223	6,749	33,618	4,682	50,005	3,590	24,015	50	2,510	24,726	226,638
KILLP01Z	M	2,277	26,872	3,424	21,288	4,797	14,067	2,924	24,451	4,303	24,019	2,233	20,560	19,957	131,257
KILLP02Z	M	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Apr-02		May-02		Jun-02		Jul-02		Aug-02		Sep-02		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
KILNS01Z	M	2,387	18,064	3,583	20,867	4,440	13,978	3,079	15,713	3,408	24,374	2,562	40,068	19,458	133,064
KINO_01Z	D	6,059	3,416	3,880	2,878	4,256	3,814	9,766	7,388	5,604	5,870	1,859	2,834	31,425	26,200
KINO_02Z	D	6,711	1,861	5,152	2,511	7,716	1,254	8,473	1,679	6,333	2,049	4,624	4,017	39,009	13,370
KINO_03Z	D	5,669	1,114	9,368	1,734	5,311	4,523	8,411	8,871	4,074	8,125	4,878	8,478	37,710	32,845
KINO_04Z	D	0	0	0	0	0	0	0	0	0	0	795	1,714	795	1,714
KLYNA01Z	M	4,770	12,095	6,110	10,223	5,271	9,097	4,732	2,192	536	0	5,494	0	26,913	33,607
LBAR_01Z	M	3,396	33,466	5,292	17,700	14,327	18,600	8,122	16,264	7,067	22,628	5,672	49,669	43,876	158,327
LITTD01G	D	0	0	0	0	0	0	3	0	0	0	0	5	3	5
LITTD01Z	M	0	0	93	938	0	0	0	1,251	585	661	709	3,768	1,386	6,619
LITTD02G	D	0	0	0	0	7	7	0	0	0	0	0	0	7	7
LITTD02Z	D	0	0	0	0	93	52	0	0	0	0	56	74	149	126
LITTD03G	D	0	3	0	0	0	0	0	0	0	0	1	0	1	3
MEDP_01Z	D	18,243	7,540	21,148	7,049	23,505	5,506	8,160	4,663	26,664	5,695	25,053	8,116	122,774	38,570
OLDS_01Z	D	1,308	14,644	4,301	7,841	3,693	13,039	5,977	13,365	1,873	8,226	4,617	7,400	21,769	64,515
OLDS_02Z	D	6,465	6,016	8,903	4,489	3,348	504	6,442	3,864	5,693	5,217	7,274	4,622	38,125	24,712
PETEM01Z	M	7,362	3,040	5,629	6,882	1,944	2,468	6,121	2,822	3,808	5,169	3,898	12,484	28,762	32,865
RATS_01Z	M	3,525	11,135	8,097	9,058	9,500	12,387	6,497	13,030	10,620	7,112	4,677	9,309	42,916	62,032
RATS_02Z	M	0	0	0	0	979	2,212	2,646	1,286	660	1,133	5,714	3,418	10,000	8,049
RATS_03Z	M	1,291	16,912	3,583	15,450	5,831	12,211	6,037	13,239	3,199	15,002	4,263	21,572	24,204	94,386
RATS_04Z	M	2,390	13,899	5,392	15,082	8,817	11,534	5,421	13,742	4,766	7,690	5,952	24,908	32,737	86,855
ROCK_01Z	D	15,472	7,410	10,880	3,526	6,113	1,409	20,053	5,827	20,958	4,365	17,872	11,109	91,347	33,645
ROOS_01Z	M	965	1,103	3,568	1,660	5,491	1,649	6,105	835	5,211	1,148	659	4,759	21,999	11,153
RUGPS06G	D	0	13	5	13	0	4	0	16	0	4	0	30	5	81
RUGPS06Z	M	5,061	9,332	1,984	7,616	2,151	11,523	4,266	9,137	4,138	11,400	4,733	16,556	22,332	65,564
RUGPS07G	D	0	0	3	22	0	3	0	72	0	15	0	63	3	176
RUGPS07Z	M	2,849	1,591	0	0	0	0	3,210	5,969	2,424	12,089	372	2,083	8,855	21,732
RYHPS01Z	M	12,702	21,112	22,983	9,777	9,779	5,699	18,107	21,529	10,300	21,669	3,958	36,845	77,830	116,630

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		Apr-02		May-02		Jun-02		Jul-02		Aug-02		Sep-02		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
SEAB_01Z	D	15,523	3,432	13,220	8,430	16,184	5,507	14,573	7,762	9,891	13,139	5,903	11,897	75,294	50,167
SEAB_02Z	D	20,400	1,007	12,249	4,987	17,037	5,721	11,794	7,843	4,789	1,154	11,232	13,012	77,500	33,723
SHBA_01Z	D	4,768	6,812	5,778	4,326	7,212	3,202	11,850	8,584	6,940	7,938	2,494	17,504	39,042	48,366
SHBA_02Z	D	4,859	5,862	7,061	5,253	6,929	4,524	8,174	3,431	5,457	6,958	2,136	16,600	34,616	42,628
SIZB_01Z	D	5,841	10,404	160	1,070	11,348	6,094	9,825	9,384	10,984	8,402	7,187	16,739	45,345	52,093
SIZB_02Z	D	4,326	3,772	15	642	6,712	2,503	12,295	7,354	16,715	5,474	10,532	11,994	50,595	31,739
SIZEA01Z	D	2,358	5,054	6,228	275	3,355	875	0	0	335	884	55	1,423	12,332	8,512
SIZEA02Z	D	1,223	160	0	0	0	0	0	0	0	0	0	0	1,223	160
SUTB_01Z	M	9,270	16,319	8,166	11,156	8,784	7,959	11,644	15,063	10,363	16,011	8,669	24,627	56,896	91,136
TAYL_02Z	M	2	27	27	1	0	2	0	0	0	9	0	2	30	41
TAYL_03Z	M	7	8	26	1	1	4	1	1	0	3	2	4	38	22
TESI_01Z	D	3,641	16,589	5,004	17,042	5,762	6,693	5,525	16,743	4,468	19,550	4,120	21,144	28,521	97,761
TESI_02Z	D	1,106	8,933	3,067	12,158	3,108	9,202	5,624	10,193	5,431	14,274	4,098	15,365	22,433	70,124
TILBB08Z	D	4,733	4,835	2,902	3,485	2,317	4,561	7,644	5,605	5,916	6,378	0	0	23,511	24,863
TILBB09Z	D	10,512	1,920	8,417	2,794	1,438	5,098	5,005	6,938	4,655	6,131	4,764	6,306	34,791	29,187
TILBB10Z	D	1,275	5,021	3,177	6,720	1,728	6,270	1,784	4,033	3,060	8,330	2,169	12,484	13,194	42,858
WBUPS01Z	M	1,465	16,755	948	27,622	498	22,780	352	30,934	406	32,514	764	40,037	4,433	170,643
WBUPS02Z	M	1,105	17,208	1,196	25,984	783	28,811	405	33,765	606	39,264	608	33,799	4,703	178,831
WBUPS03Z	M	1,283	15,060	1,013	27,411	1,394	21,394	67	8,007	0	0	0	0	3,756	71,872
WBUPS04Z	M	1,140	10,552	995	17,820	672	13,649	133	4,848	0	0	0	0	2,940	46,869
WYLF_01Z	D	8,730	726	8,763	1,970	6,648	2,117	8,855	1,054	8,652	1,876	9,679	1,855	51,328	9,598
WYLF_02Z	D	8,735	633	8,605	2,071	6,255	2,083	8,552	1,060	7,235	3,118	7,939	2,518	47,321	11,484
WYLF_03Z	D	9,366	1,384	9,758	2,624	12,590	513	10,324	2,316	11,336	781	12,072	507	65,446	8,126
WYLF_04Z	D	7,542	2,284	17,716	1,644	4,724	4,811	5,865	4,779	6,488	4,044	7,105	1,645	49,440	19,208

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BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
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		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
Subtotal	DPM	370,766	733,941	399,642	792,961	441,312	613,820	535,428	670,677	497,657	735,863	439,285	900,772	2,684,090	4,448,034
Subtotal	Market	165,078	398,415	205,482	444,999	220,425	331,954	252,293	387,897	181,640	360,176	157,586	478,640	1,182,505	2,402,081
Total	Mvarh	535,844	1,132,356	605,124	1,237,960	661,738	945,774	787,721	1,058,574	679,297	1,096,038	596,871	1,379,413	3,866,595	6,850,115

Appendix 6 - Tender Assessment Procedure

A6 Introduction

A6.1 National Grid assessed the tenth Reactive Power Market tender round consistent with the process applied to all previous tender rounds, as detailed in CUSC. Analytical processing was conducted in six-monthly segments in order to consider any interaction with the overlap of contracts secured during the previous Reactive Power Market tender rounds.

A6.2 National Grid divided the process of assessing tenders into several stages, which were addressed as follows:

- *Tender Receipt and Registration:* The tenders were opened, in the presence of a separate witness and all tender data was transcribed into TARDIS (Transmission Ancillary Reactive Database Information System).
- *Tender Data validation:* All database entries were then separately checked back to the original tender sheets. TARDIS compliance checks showed that all tenders submitted were indeed compliant.
- *Obligatory Reactive Power Service Assessment:* The tenders were assessed against likely outgoings, taking into account the many interacting factors associated with each tender acceptance decision, as described in CUSC Schedule 3, Appendix 6. This involved, inter-alia, evaluation against projections of expenditure and availability of service against historic and forecast Mvar and Mvarh data to produce central views of the money payable under the DPM or a market agreement (described below). The overall assessment was supported by an examination of many credible sensitivities around the central view.
- *Enhanced Reactive Power Service Assessment:* Had National Grid received any ERPS tenders these would have been considered on a case-by-case basis against possible alternatives, such as transmission constraints or National Grid investment.

A6.3 Core Analytical processing

- Tender assessment takes place in the context of uncertainties and interactions affecting reactive payments and transmission requirements. To initiate the assessment of the overall value of each tender, it is considered necessary to construct a central view of future payments so that the relative impact of the factors influencing the economic evaluation of tenders can be fully addressed.

For each genset tendered for 2002/03, the processing was as follows:

- Forecast Mvarh generated, in each band by reactive Mvar breakpoints, were set via extrapolations from historic observations and forecast load factors. The historic observations covered the period 1997 to 2001 and came from the Ancillary Services records against which reactive power utilisation is currently being paid.
- The default utilisation money was set at forecast Mvarh multiplied by the utilisation price of £1.35/ Mvarh nationally. (Derived from CUSC Schedule 3)
- Market agreement capability money was set at tendered price multiplied by tendered capability, allowing for break-points, multiplied by forecast hours both available and synchronised.
- Market agreement utilisation money was set at tendered prices, multiplied by the above forecast Mvarh, respecting the tendered break-point bands of Mvarh utilisation.
- The core comparison of default versus market agreement is based on the forecast payments detailed above. Reactive power assessment is however, by no means as simple as taking the cheapest option. A full understanding of the factors influencing reactive power requirements on the National Grid Transmission System must be taken into account to provide a complete economic assessment of tender value.

A6.4 Assessment Sensitivities

- The principal role of tender assessment is to quantify and evaluate consistently the many factors that National Grid and the then Reactive Power Market Working Group (RPMWG) have agreed should be considered. These factors are those referred to in 5.3(e)(ii) of CUSC Schedule 3 and are cross-referenced in section 2.12 of the Invitation to Tender pack. The National Grid evaluation team has developed and implemented a process enabling these factors and associated uncertainties to be methodically considered.
- The RPMWG accepted at the outset of the reactive market that aspects of the tender evaluation process would be subjective in nature. It was therefore important to establish a framework within which this subjectivity could be exercised in a consistent fashion across all tenders.

Specific questions were asked of each tender, examples of which follow:

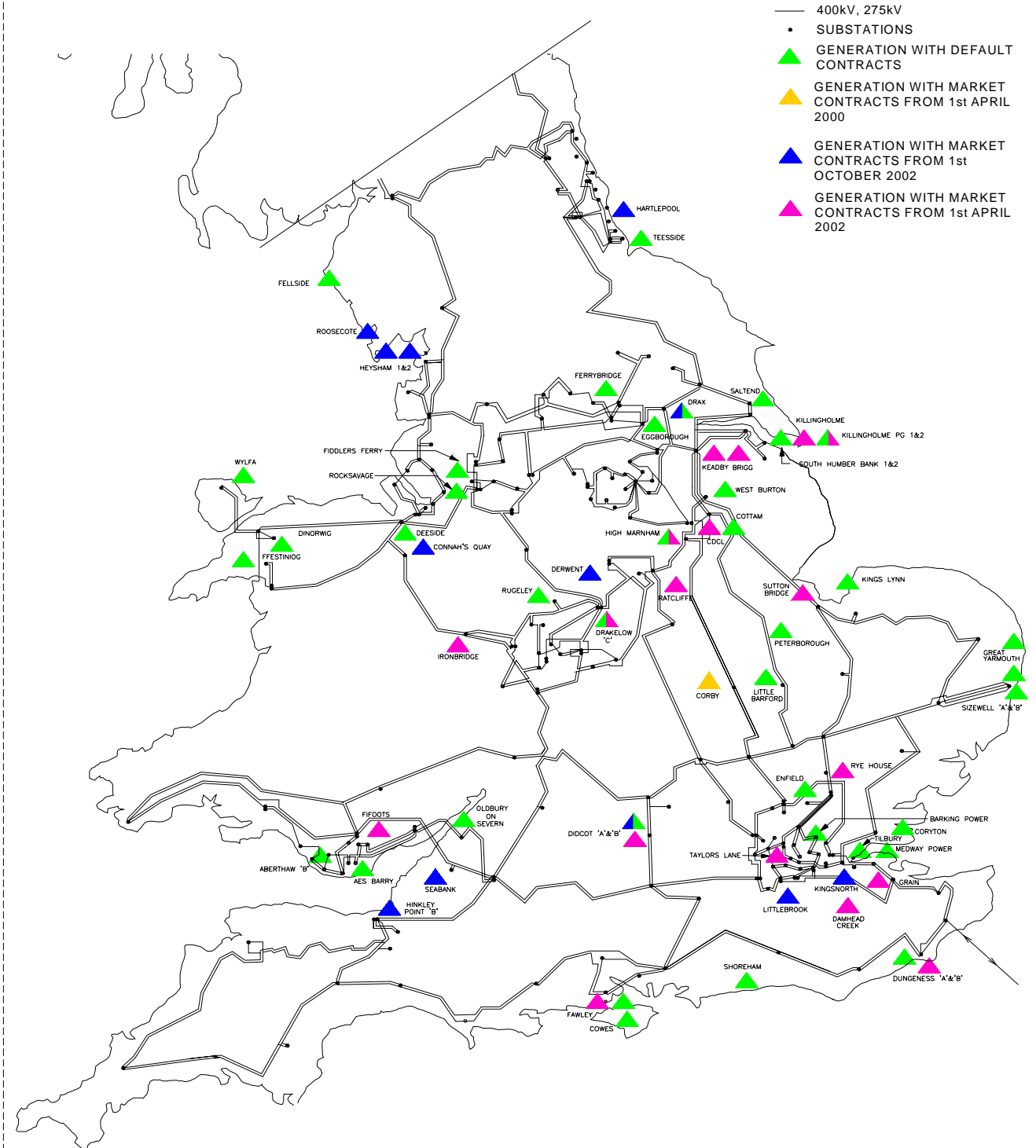
- *Would a Market Agreement (central case assessment) give a reduction in payments?*
- *Would a Market Agreement reflect the effectiveness at providing voltage support at that location?*
- *Would a Market Agreement be robust against:*
 - ◆ *expected individual variations in utilisation due to:*
 - ◆ *a new station opening nearby*
 - ◆ *an existing nearby station closing*
 - ◆ *trends in local reactive power demand*
- *Would a Market Agreement enhance the incentive on the Generator to maintain his Grid Code capability?*
- *How would a Market Agreement affect operational despatch?*
- *To what extent might a Market Agreement potentially offset National Grid investment?*
- *Would a Market Agreement for ORPS enable a desired contract for ERPS?*
- All other criteria in CUSC Schedule 3, paragraph 3, are covered by this methodology.
- In all cases, National Grid continued to consider interaction with forecast transmission constraints. In all cases there were insignificant interactions with constraints identified.
- In all cases, National Grid considered possible interaction with National Grid planned investments. The commissioning in 2002/03 of new National Grid transmission equipment, which includes some reactive compensation equipment, influenced National Grid's view of forecast Mvarh. All of the commissioning equipment is required for compliance with Transmission Licence Standards, and re-phasing of planned National Grid investments within a 12-month contract period is not a practical option.

Appendix 7 - Geographic Distribution between DPM and Market Contracts

GENERATION ELIGIBLE FOR REACTIVE POWER PAYMENTS AS AT 1st OCTOBER 2002 APPENDIX 7
 SHOWING THE SPLIT BETWEEN DEFAULT AND MARKET CONTRACTS

KEY

- 400kV, 275kV
- SUBSTATIONS
- ▲ GENERATION WITH DEFAULT CONTRACTS
- ▲ GENERATION WITH MARKET CONTRACTS FROM 1st APRIL 2000
- ▲ GENERATION WITH MARKET CONTRACTS FROM 1st OCTOBER 2002
- ▲ GENERATION WITH MARKET CONTRACTS FROM 1st APRIL 2002



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Appendix 8 - Contact Numbers

A8.1 Further report information, comments suggestions and enquiries can be directed to:

**Paul Bagg
Operations and Trading
National Grid Company plc
National Grid House
Kirby Corner Road
Coventry
CV4 8JY**

On telephone number: **024 7642 3128**
Email: **paul.bagg@uk.ngrid.com**

A8.2 For any other information please visit the National Grid website on the following address:

www.nationalgrid.com/uk/balancing/indinfo/balancing/mn_reactive.html