

STOR Market Information Report 07-02



(Short-Term Operating Reserve)

Introduction

This market report is produced after each tender round and is designed to give existing and potential STOR participants an overall view of the tendered utilisation and availability prices and National Grids' resultant forward contracted position; together with further details on the type, size and dynamics of the tendered plant. For further information regarding this product or how and when to tender please consult the tender and reports section of National Grids Balancing Services information website:

<http://www.nationalgrid.com/uk/Electricity/Balancing/services/reserveservices/STOR/>

The report is divided into 2 main sections:

- Section 1 provides a summary of the tender round providing market participants with tendered and accepted volume and price information across seasons. The data is broken down between response time, flexible and committed providers plus a breakdown of the size of accepted units.
- Section 2 provides an overview of the total contracted position for each season of National Grid's Short Term Operating Reserve Requirement (STORR) through this and any previous tender rounds. This section allows the market participants to identify where there are opportunities to tender in future tender rounds.

This report is for the second tender round for 2007/08 and is for service provision commencing on the 19th August 2007.

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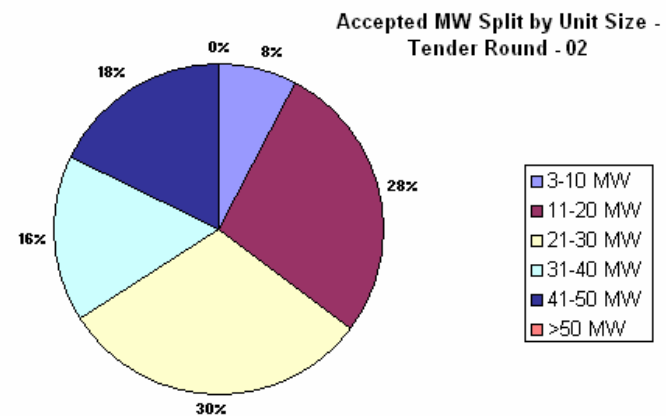
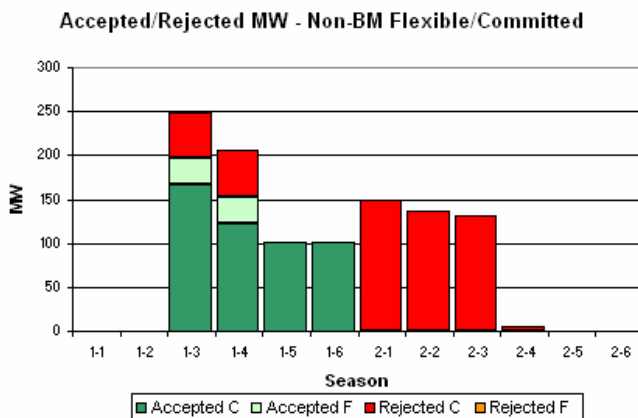
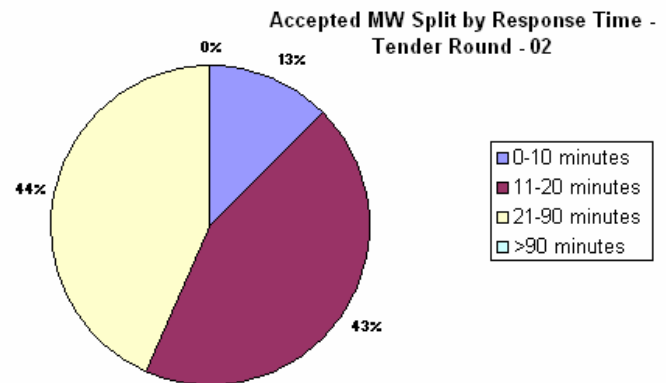
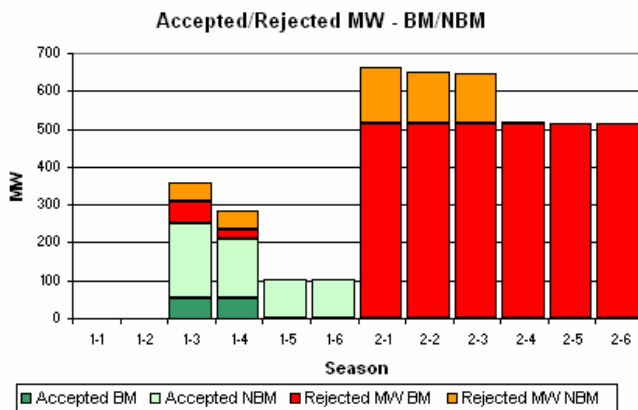
Section 1 Tender Round- 02

Table 1 below shows a high-level overview of the tenders received by National Grid and those that were accepted through the assessment process.

Table1: Season summary table for Tender Round – 02

	1 APRIL 2007 - 31 MARCH 2008						1 APRIL 2008 - 31 MARCH 2009					
	1-1	1-2	1-3	1-4	1-5	1-6	2-1	2-2	2-3	2-4	2-5	2-6
Tendered Companies			6	6	2	2	4	4	3	2	1	1
Tendered Units			18	16	5	5	24	24	23	20	19	19
Tendered MWs [MW]			359	286	101	101	664	652	646	520	515	515
Average Availability Price* (submitted) [€/MWh]			€9.28	€8.45	€6.58	€6.58	€6.87	€6.96	€7.08	€8.73	€8.75	€8.75
Average Utilisation Price* (submitted) [€/MWh]			€134.05	€144.65	€194.85	€194.85	€263.65	€264.82	€265.22	€261.22	€261.82	€261.82
Accepted Units			14	13	5	5	0	0	0	0	0	0
Accepted MWs [MW]			252	208	101	101	0	0	0	0	0	0
Average Availability Price* (Accepted) [€/MWh]			€6.27	€6.41	€6.58	€6.58	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00
Average Utilisation Price* (accepted) [€/MWh]			€165.82	€165.82	€194.85	€194.85	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00

Below are a range of graphs to highlight the range of accepted providers and their characteristics.

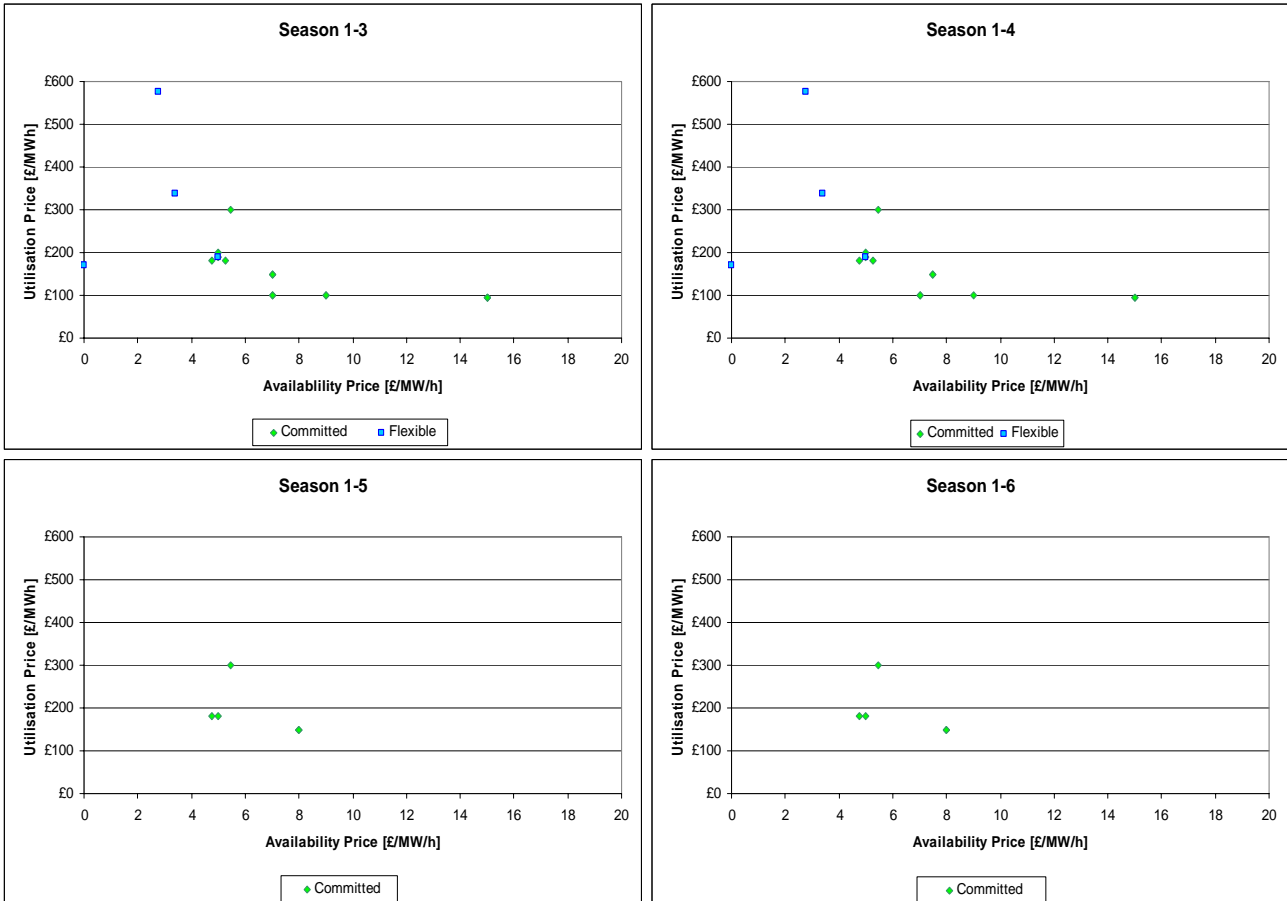


*Average prices are volume weighted

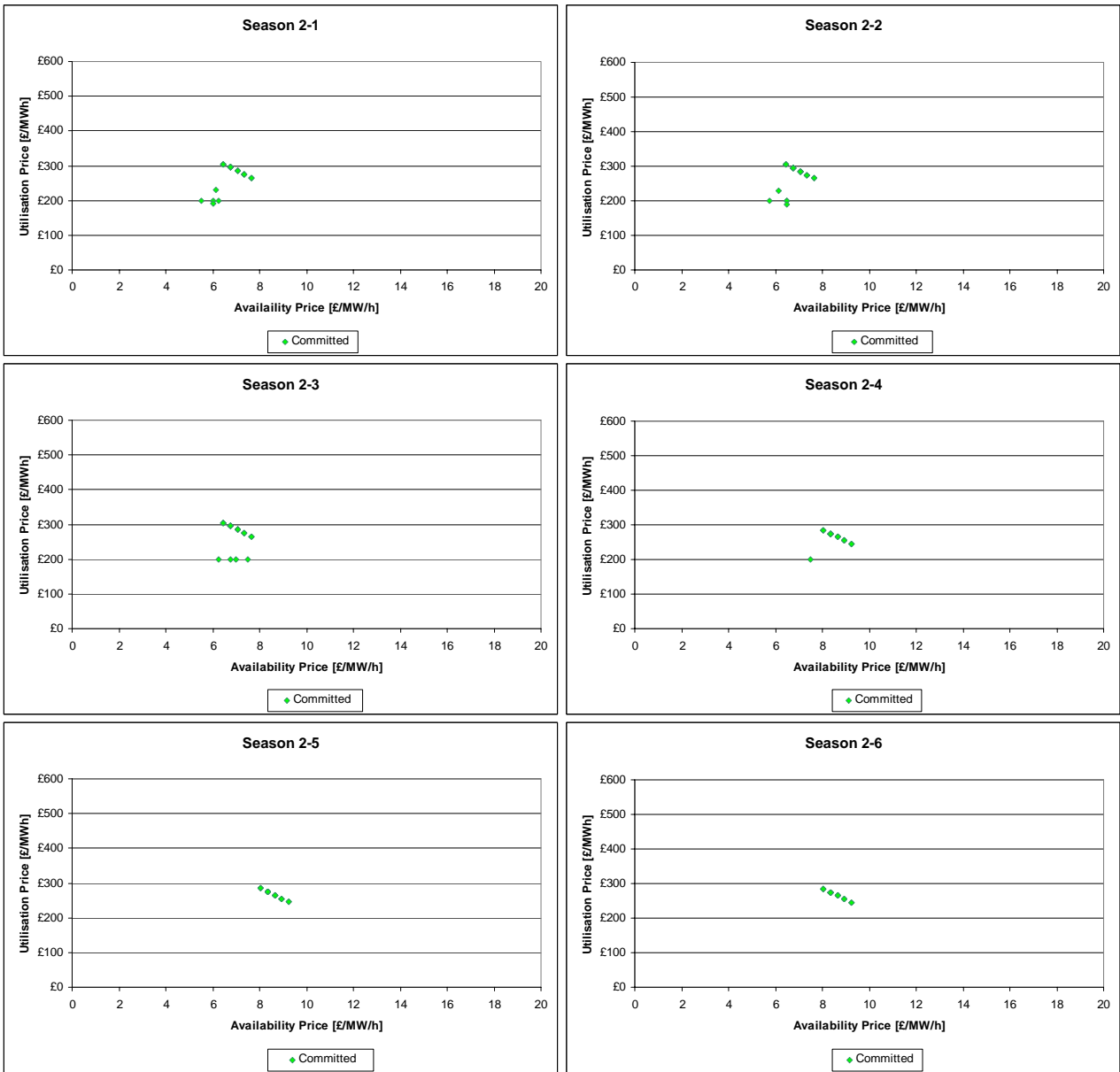
Section 1.2 Prices

Scatter plots of availability and utilisation prices for each season is shown below. Note that under STOR, providers may have significantly different response times.

Year 1 Submitted Tender Prices – Scatter Plots of availability & utilisation prices



Year 2 Submitted Tender Prices – Scatter Plots of availability & utilisation prices



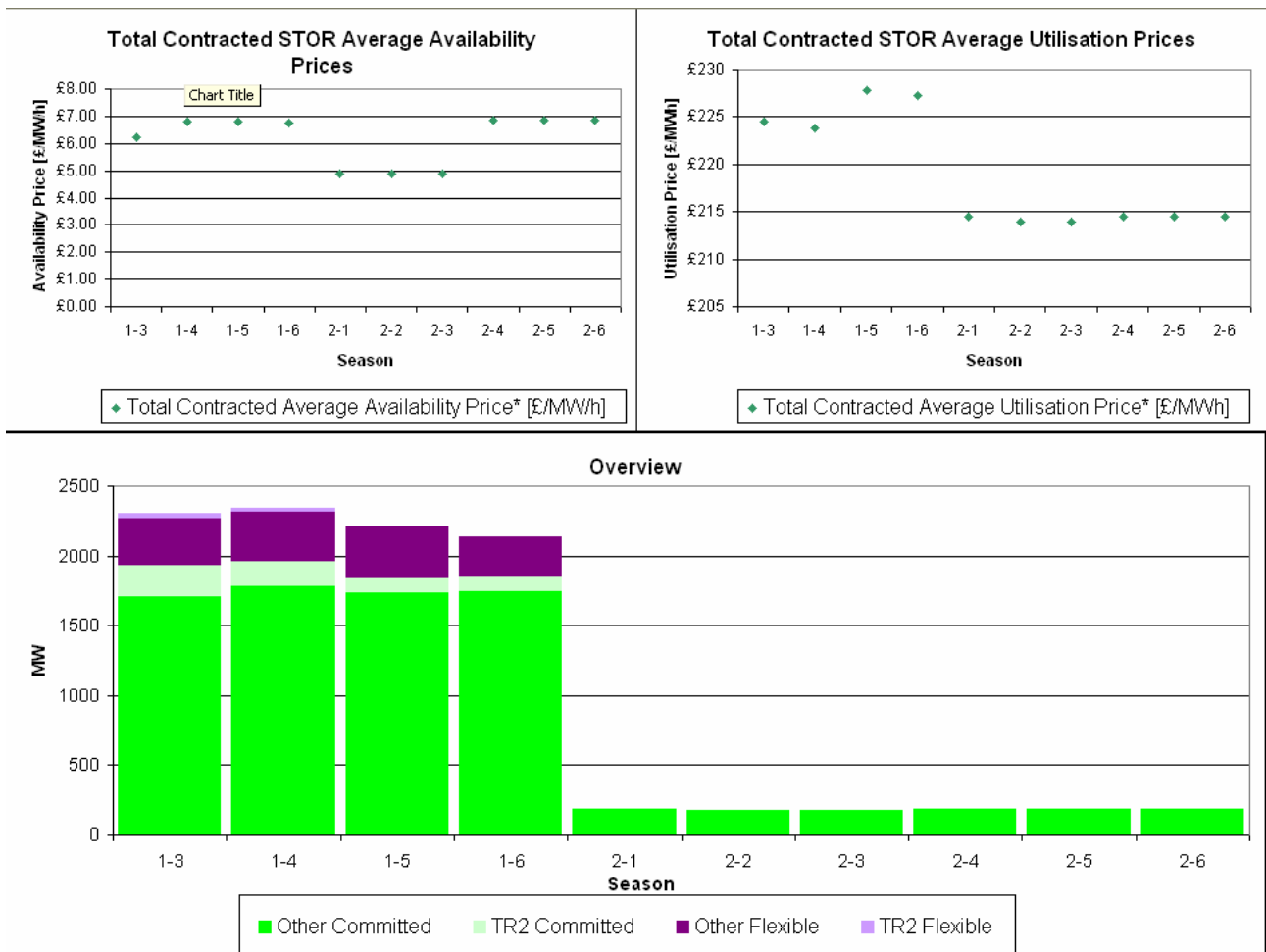
Section 2 Total Contracted Position

This section highlights how the results of this tender round contribute to National Grid's total requirement for Short Term Operating Reserve

Table 2: Summary of total contracted position as a result of Tender Round – 02

	1 APRIL 2007 - 31 MARCH 2008						1 APRIL 2008 - 31 MARCH 2009					
	1-1	1-2	1-3	1-4	1-5	1-6	2-1	2-2	2-3	2-4	2-5	2-6
Accepted Units			10	10	5	5	0	0	0	0	0	0
Accepted MWs [MW]			155	155	101	101	0	0	0	0	0	0
Other Contracted Units			89	91	86	80	6	6	6	6	6	6
Other Contracted [MW]			2145	2187	2109	2039	183	181	181	183	183	183
Total Contracted Units			99	101	91	85	6	6	6	6	6	6
Total Contracted [MW]			2300	2342	2210	2140	183	181	181	183	183	183
Total Contracted Average Availability Price* [€/MWh]			€6.21	€6.82	€6.78	€6.78	€4.90	€4.89	€4.89	€6.86	€6.86	€6.86
Total Contracted Average Utilisation Price* [€/MWh]			€224.54	€223.76	€227.87	€227.26	€214.48	€213.98	€213.98	€214.48	€214.48	€214.48

A graphical overview of the above table is shown below to highlight the total breakdown between providers and previous tender rounds.



*Average prices are volume weighted

Appendix

Terminology and Definitions

Term	Definition
STOR	Short-Term Operational Reserve
STORR	Short-Term Operational Reserve Requirement
Unit	As described within a STOR framework agreement as constituting a STOR site
Tendered / Accepted MW	The maximum availability in the specified period
Year 1	Equivalent to Financial Year 2007/08 commencing on 1st April 2007
Year 2	Equivalent to Financial Year 2008/09 commencing on 1st April 2008
Average Availability / Utilisation Price	The volume weighted average price for the specified period
TR	Tender Round

Season Reference

Season Number	Operational Date From	Operational Date To
1-1	01-Apr-07	28-Apr-07
1-2	29-Apr-07	18-Aug-07
1-3	19-Aug-07	23-Sep-07
1-4	24-Sep-07	27-Oct-07
1-5	28-Oct-07	02-Feb-08
1-6	03-Feb-08	31-Mar-08
2-1	01-Apr-08	26-Apr-08
2-2	27-Apr-08	16-Aug-08
2-3	17-Aug-08	21-Sep-08
2-4	22-Sep-08	25-Oct-08
2-5	26-Oct-08	31-Jan-09
2-6	01-Feb-09	31-Mar-09