

## Fast Reserve

### Market Information for Tenders for July 2002

National Grid publish the following information, in order to inform participants in the Fast Reserve tender round for July 2002.

#### Fast Reserve Availability

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

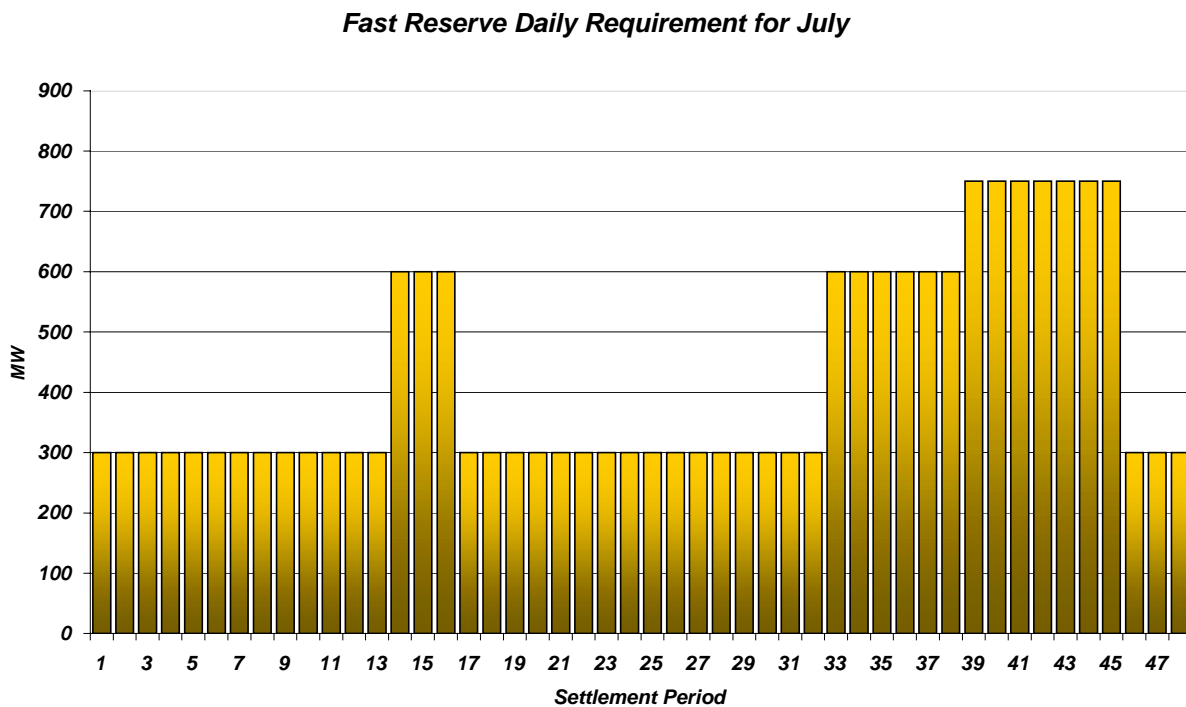


Figure 1

This Figure gives an indication of the times of day when Fast Reserve is most useful to us. The actual amount of Fast Reserve "holding" varies from day to day, according to system conditions, but on average amounts to approximately one half of these requirements.

**Fast Reserve Utilisation**

Figure 2 shows the daily utilisation of Fast Reserve in the BM during April (1<sup>st</sup> - 30<sup>th</sup> April 2002) and May (1<sup>st</sup> - 31<sup>st</sup> May 2002). This information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve in the BM.

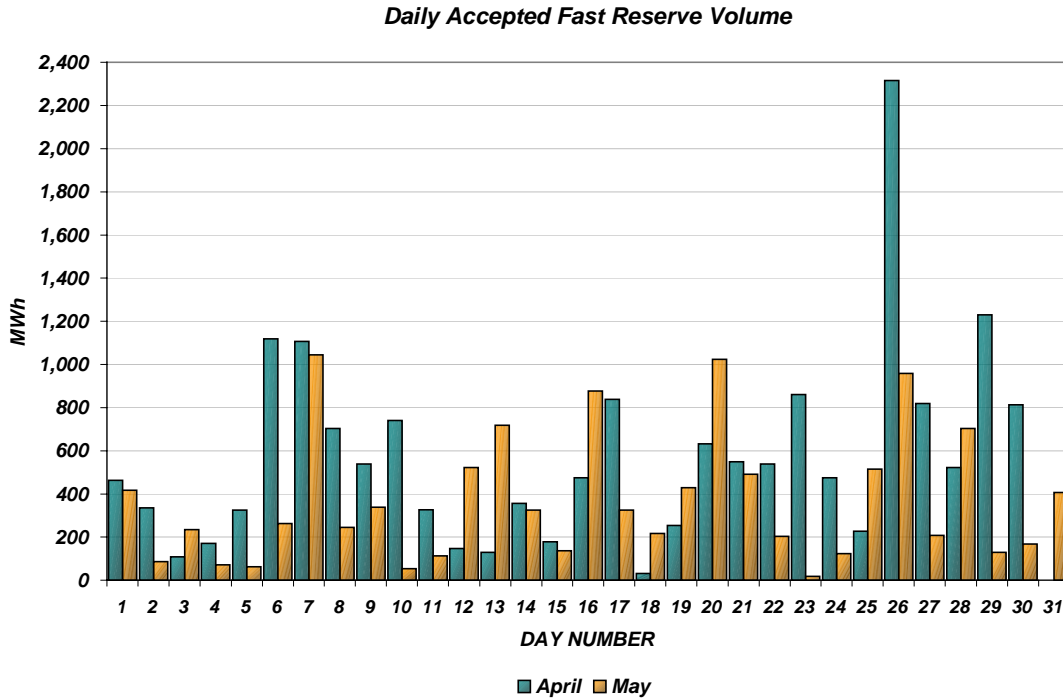


Figure 2

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.

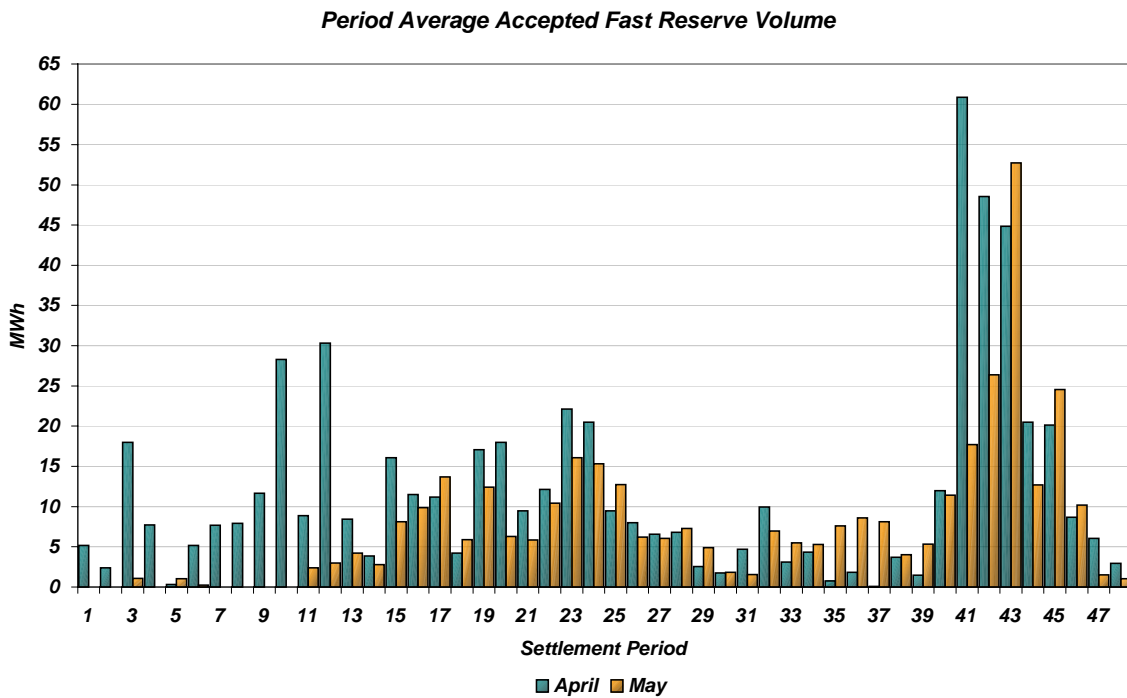


Figure 3

The total volumes of Fast Reserve utilisation of **17.3 GWh** for April and **11.4 GWh** for May break down into price bands as follows:

APR	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
<b>OFFERS</b>	2000 to 10000	0.0	n/a	n/a
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	100.9	499.8	0.05
	0 to 300	12,998.4	117.3	1.52
<b>Total</b>		<b>13.1 GWh</b>		<b>£1.6 m</b>
<b>BIDS</b>	0 to 300	-3,933.0	9.2	-0.04
	-300 to 0	-283.0	-182.5	0.05
	-1000 to -300	0.0	n/a	n/a
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
<b>Total</b>		<b>-4.2 GWh</b>		<b>£0.0 m</b>
<b>Total</b>		<b>17.3 GWh</b>		<b>£1.6 m</b>

MAY	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
<b>OFFERS</b>	2000 to 10000	0.0	n/a	n/a
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	179.7	496.0	0.09
	0 to 300	10,829.5	114.2	1.24
<b>Total</b>		<b>11.0 GWh</b>		<b>£1.3 m</b>
<b>BIDS</b>	0 to 300	-279.0	9.3	0.00
	-300 to 0	-118.0	-152.6	0.02
	-1000 to -300	0.0	n/a	n/a
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
<b>Total</b>		<b>-0.4 GWh</b>		<b>£0.0 m</b>
<b>Total</b>		<b>11.4 GWh</b>		<b>£1.3 m</b>

These charts and tables show that from April to May Fast Reserve utilisation cost decreased by 15.7% and the volume utilised decreased by 34.1%.

Please note that this analysis now *includes* the utilisation of firm Fast Reserve from successful Fast Reserve tenders in these months.

By June, the demand shape has settled to summer levels and the 1A overnight heating peak has disappeared. Accordingly, we expect Fast Reserve utilisation and value to approach levels observed by the end of last summer.

For the month of **July**, tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid by close of business on Tuesday 18<sup>th</sup> June. National Grid will notify Service Providers of the outcome of the tender assessment by Tuesday 25<sup>th</sup> June.