

# Fast Reserve

## Market Information for Tenders for May 2004

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

### Fast Reserve Availability

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

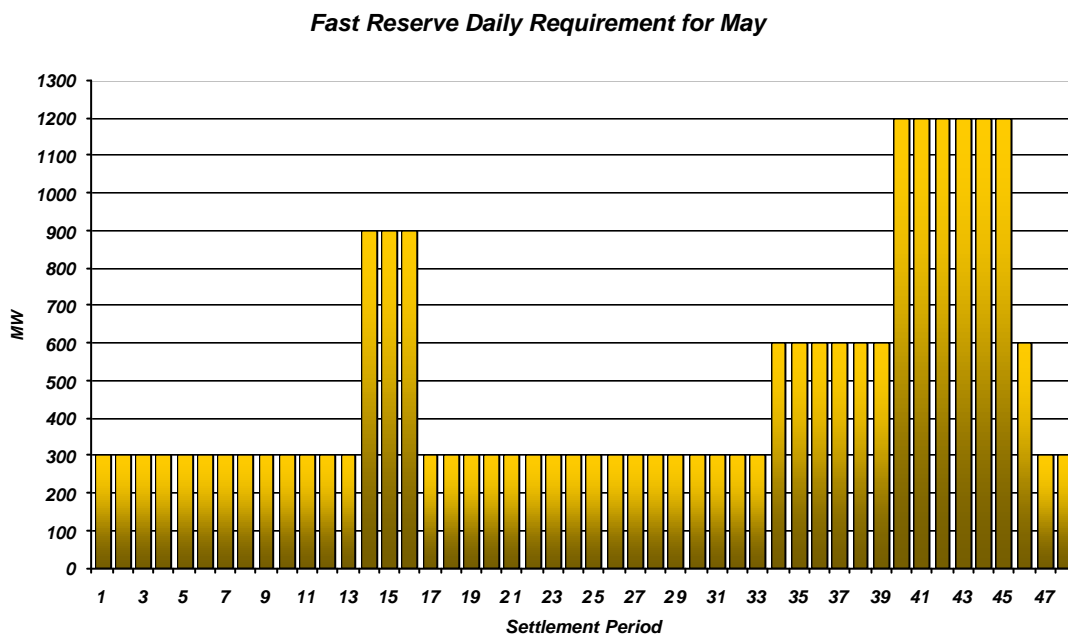


Figure 1

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 and elsewhere during February (1<sup>st</sup> – 29<sup>th</sup> February 2004) and March (1<sup>st</sup> – 31<sup>st</sup> March 2004). The BM information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve.

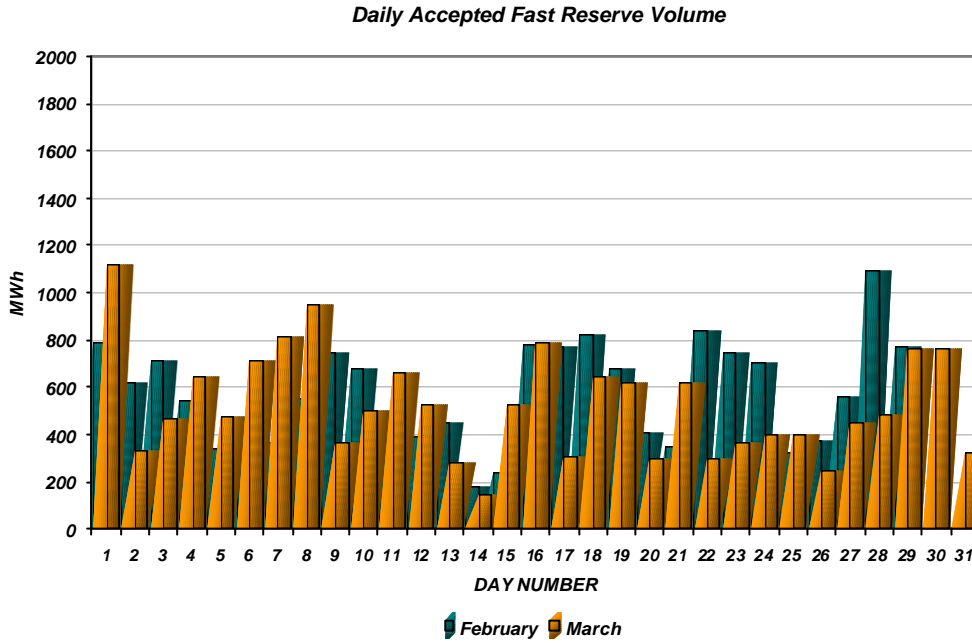


Figure 2

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.

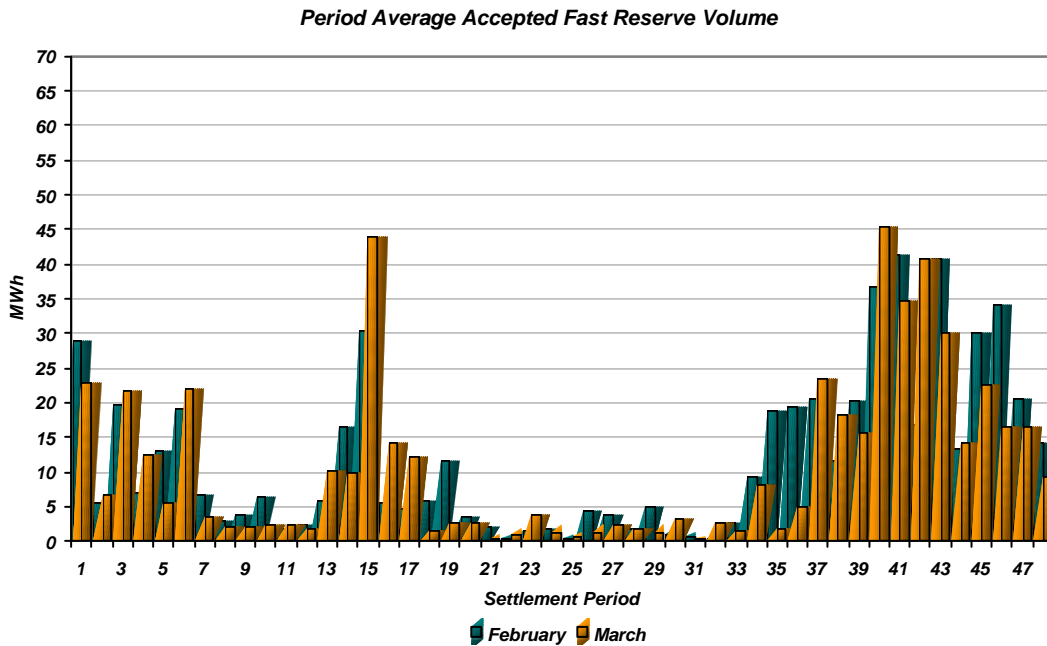


Figure 3

The total volumes of Fast Reserve utilisation of **16.7 GWh** for February and **16.3 GWh** for March break down into price bands as follows:

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>

March	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	0	n/a	n/a
	300 to 1000	202	341	0.07
	0 to 300	14,824	126	1.87
<b>Total</b>		<b>15.0 GWh</b>		<b>£1.94 m</b>
<b>BIDS</b>	0 to 300	0	n/a	n/a
	-300 to 0	-1,232	-50	0.06
	-1000 to -300	-9	-600	0.01
	-2000 to -1000	-35	-1,425	0.05
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-1.3 GWh</b>		<b>£0.12 m</b>
<b>Total</b>		<b>16.3 GWh</b>		<b>£2.05 m</b>

The above charts and tables show that from February to March overall Fast Reserve utilisation fell by less than 3% but spend fell by ~13%.

For May, the demand shape will follow a Spring profile. Fast Reserve utilisation patterns for May 2004 are expected to be similar to those seen in May 2003. Overall Fast Reserve utilisation is forecast to outturn similar to April/May 2003.

For the month of **May**, tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid by close of business on Friday 16<sup>th</sup> April 2004. National Grid Transco will notify Service Providers of the outcome of the tender assessment by Friday 23<sup>rd</sup> April 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.