

REACTIVE POWER MARKET

REACTIVE MARKET REPORT

THIRTEENTH TENDER ROUND FOR OBLIGATORY AND ENHANCED REACTIVE POWER SERVICES

**FOR REACTIVE MARKET AGREEMENTS
EFFECTIVE 1 APRIL 2004**

12 MAY 2004

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

Executive Summary

13th Tender Round

This report describes the 13th Tender Round evaluation process for Reactive Power Market Agreements for service commencement on 1 April 2004. 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 1 October 2003 to 31 March 2004. Estimates of the reactive contribution of the National Grid Transmission System for the same period are also included.

National Grid evaluated all tenders received against economic purchase and technical performance criteria in accordance with the agreed terms of the market mechanism. On 19 January 2004, tenderers were notified of the results of their respective tenders. The main points are as follows:

- On 28 November 2003 ('Market Day') tenders were received for 46 BM Units over 23 power stations from 14 generating companies.
- All tenders received 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, 18 or 36 months.
- Tenders were submitted by portfolio, independent and embedded generating companies.
- Of the 46 tenders evaluated, National Grid offered Reactive Power Market Agreements to 32, all of which proceeded to contract.
- As at 1 April 2004 there were a total of 57 BM Units from a possible 153 with Reactive Power Market Agreements (32 from this Tender Round and 25 from earlier Tender Rounds). Any BM Unit on a Reactive Power Market Agreement that commenced 1 April 2004 cannot be tendered again until Tender Round 15 (for agreements commencing 1 April 2005) at the earliest, due to the 12 month minimum agreement duration.

14th Tender Round

The next 'Market Day' for receipt of tenders for Reactive Power Market Agreements commencing on 1 October 2004, is Friday 28 May 2004. Invitation To Tender (ITT) Documentation for this Tender Round 14, has been available on the National Grid Industry Information website since 26 March 2004.

Contents

1.	Introduction.....	5
2.	Tender Process.....	6
3.	Tenders Submitted.....	7
4.	Tender Assessment.....	7
5.	Tender Observations	8
6.	Assessment Results	9
7.	Comparisons with Previous Tender Rounds.....	11
8.	Generating Unit Reactive Mvarh Utilisation.....	14
9.	Estimates of the Reactive Contribution of the National Grid Transmission System for October 2003 to March 2004	16
10.	Exceptional Reactive Power Requirements.....	18
	Appendices.....	19
	Appendix 1 - Comparisons with previous Tender Rounds	20
	Appendix 2 - BM Units contractual position as at 1 April 2004.....	21
	Appendix 3 - Reactive Market Agreement status at 1 April 2004	23
	Appendix 4 - Successful tender details for contracts commencing 1 April 2004	25
	Appendix 5 - Generation Utilisation Volumes by BM Unit - October 2003 - March 2004.....	36
	Appendix 6 - Tender Assessment Procedure.....	42
	Appendix 7 - Geographic Distribution between Default Payment Mechanism and Market Contracts	46
	Appendix 8 - Contact Information.....	47

1. Introduction

- 1.1 This market report provides information on the results from the assessment process carried out for Reactive Power Tender Round 13 (for contracts that commenced 1 April 2004). This includes details on the contractual position for the provision of Reactive Power Services to the National Grid Transmission System as at 1 April 2004.
- 1.2 National Grid manages the voltage of the England and Wales 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 is provided on a local basis to meet the constantly varying needs of the system and that there are sufficient Reactive Power reserves available to meet contingencies.
- 1.3 Generating Units provide Reactive Power Capability, and are capable of varying 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.
- 1.4 Dynamic reserves of Reactive Power are essential for system operation. National Grid values capability based Reactive Power Market Agreements as this payment mechanism helps to ensure that the availability of post-fault Reactive Power reserves is maintained.
- 1.5 Tender Round 13 was undertaken to secure such capability based Reactive Power Market Agreements from 1 April 2004. 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) Documentation. These can be accessed via National Grid's industry website at:
www.nationalgridinfo.co.uk

2. Tender Process

- 2.1 On 28 November 2003, National Grid held the Market Day for the Reactive Power Tender Round 13. This enabled any potential provider that fulfilled the qualification criteria specified in Schedule 3 of the CUSC to tender for a Reactive Power Market Agreement.
- 2.2 Tenderers could elect to choose the term of tenders 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 who submitted tenders for periods greater than 12 months were also able to include indexation criteria on the tendered prices to be applied to any period(s) beyond the first 12 months.
- 2.4 Tenderers could tender for either the ORPS and/or the Enhanced Reactive Power Service (ERPS), as defined in Schedule 3 of the CUSC.
- 2.5 Potential tenderers comprised the following:
 - Generators required to provide the minimum Grid Code ORPS and already in receipt of the Default Payment Mechanism, who wished to tender for alternative payment terms for the ORPS.
 - Generators that had a reactive capability in excess of the minimum Grid Code ORPS, known as the "Grid Code Plus Enhanced Reactive Power Service".
 - Any other eligible Service Provider able to offer other plant or apparatus which could generate or absorb Reactive Power, known as ERPS. The only requirement was that these Service Providers had to fulfil the market qualification criteria and have been capable of making their capability available for use by National Grid.

3. Tenders Submitted

- 3.1 A total of 46 discrete tender submissions were received, representing 14 generating companies and 23 power stations. All tenders were for BM Units offering the Grid Code ORPS service only, with contract duration of 12, 18 or 36 months.
- 3.2 Tenders were received from both portfolio and independent generating companies and from directly connected and embedded power stations. No tenders were received from non-BM providers.
- 3.3 Of the tenders received, all sought reactive capability based payments in addition to utilisation payments.
- 3.4 All tenders were compliant with the submission criteria specified in Schedule 3 of the CUSC.

4. Tender Assessment

- 4.1 Tender assessment was carried out in accordance with the evaluation criteria specified in Appendix 6 of Schedule 3 of the CUSC. Details of this are more fully described in Appendix 6 of this report.
- 4.2 This assessment included input from the Reactive Power Capability Index updated from that shown in Appendix A of the Invitation To Tender & Guidance Notes for Completion of Tenders that was included in the ITT Documentation. The purpose of this index is to provide an indication of the Reactive Power 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 considered 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 was, and what incentive the Generator was placing on itself to maintain the reactive capability.

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

5. Tender Observations

- 5.1 All tenders were seeking capability worth. As in previous Tender Rounds, some generators had made incremental changes in the balance between capability and utilisation prices, presumably in light of their experience from previous rounds. Around two-fifths of tenders showed significant increases in utilisation prices whilst around one-third showed significant increases in available capability prices; one-fifth of tenders showed increases in both these prices. Just under three-fifths of tenders had non-zero synchronised capability prices; of these about one-fifth showed significant price increases (around one-tenth of all tenders). While a similar number of tenders showed synchronised capability price reductions, these all had significant available capability price increases.
- 5.2 A developing feature is the increased emphasis on available capability, with two-fifths of tenders having zero synchronised availability prices (all but one of these tenders are for baseload units), as well as the price increases noted above. Synchronised capability is more useful to National Grid than available capability, but the valuation of the two differs, dependent on the total time for which the plant is synchronised and when this occurs. National Grid places higher value on tenders with high synchronised capability prices compared with availability prices if the plant tends to run less frequently but at times of high system need. Conversely, National Grid places a lower value on plant with relatively high synchronised prices if the plant is expected to run for a large part of the assessment period, as this is more likely to include significant periods when the capability is not essential to secure system operation.
- 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. This also included our view on possible plant closures and we started to factor in our view of the likely decline in coal plant running under emissions trading.
- 5.4 A number of tenderers appeared to be exploring price sensitivities across BM Units (within a station).
- 5.5 No tenders were received for enhanced capability.

6. Assessment Results

- 6.1 Of the 46 tenders evaluated, National Grid offered Market Agreements to 32 (an acceptance rate of 70%), all of which proceeded to contract.
- 6.2 This acceptance rate of 70% is higher than the last Tender Round 12 of 57% and the last directly comparable Tender Round 11 of 53%.
- 6.3 Tenders were scored against the specified assessment criteria and Figure 1 below shows the attractiveness of tenders from the assessment outcome. The tenders at the “Most” attractive side of Figure 1 were assessed with a positive score indicating they should be offered Market Agreements. Likewise the tenders at the “Least” attractive side of Figure 1 were assessed with a negative score indicating they should not be offered a Market Agreement. The tenders at either end of these measures were considered to be very “attractive” or “unattractive”. Those considered unattractive could, for example, have sought capability payments significantly above expectations of default payments and National Grid’s value of capability.

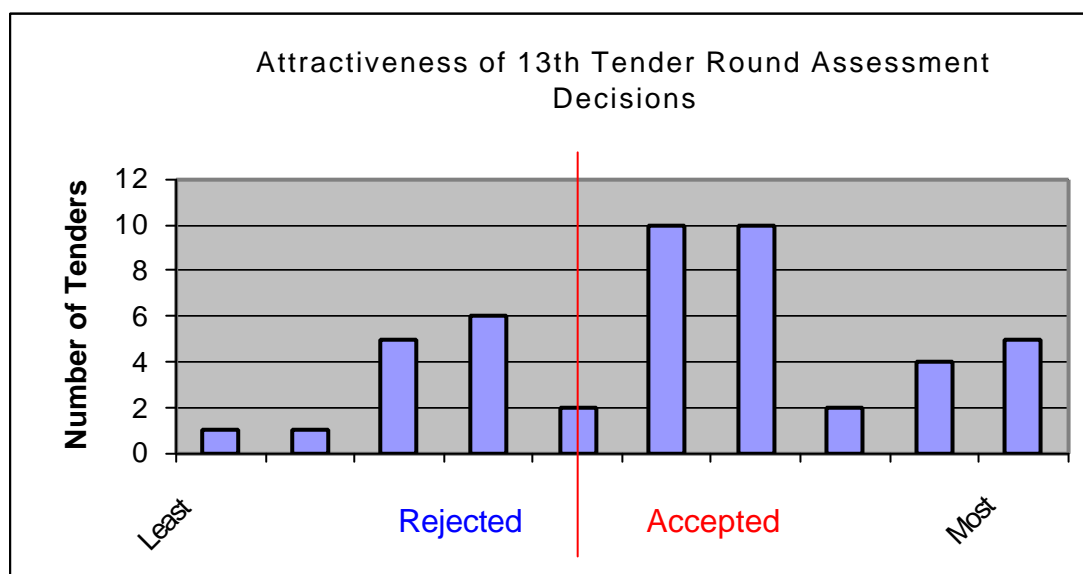


Figure 1

- 6.4 A complete list of all generator BM Units as at 1 April 2004 obliged under the Grid Code to be capable of providing the ORPS is given in Appendix 2. This list includes a record of which BM Units are on Reactive Power Market Agreements and which are on default arrangements (DPM). Whether those on Reactive Power Market Agreements will be able to be tendered again in Tender Round 14 depends upon the term of their existing Market Agreement.

- 6.5 Appendix 3 provides a list of BM Units on Market Agreements applicable as at 1 April 2004 showing when the agreements will terminate.
- 6.6 Appendix 7 shows the geographic distribution of BM Units on market and default agreements.
- 6.7 Details of the successful tenders that proceeded to contract commencing 1 April 2004 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. Tender Round 13 is comparable with odd numbered Tender Rounds 1 through to 11, as for each of them service commencement is at 1 April for the relevant year.

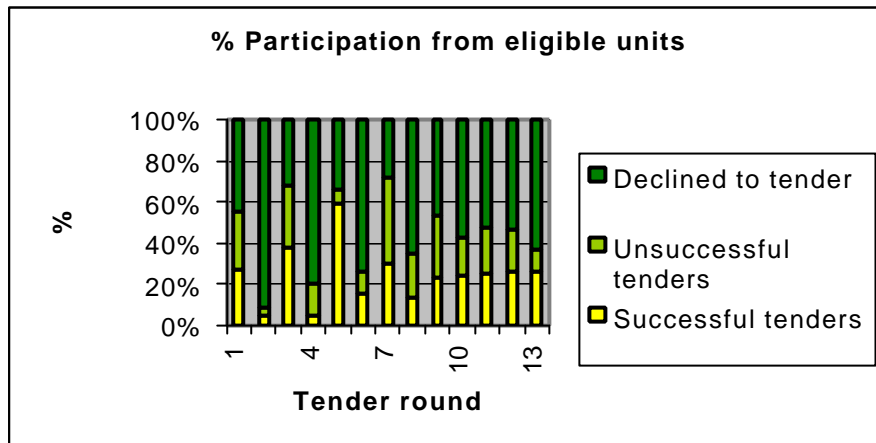


Figure 2 (Source: Appendix 1)

7.2 The acceptance rate of eligible participants in Tender Round 13 was the second highest of all previous Tender Rounds. Figure 3 shows the acceptance rate for all Tender Rounds since the commencement of the Reactive Power Market.

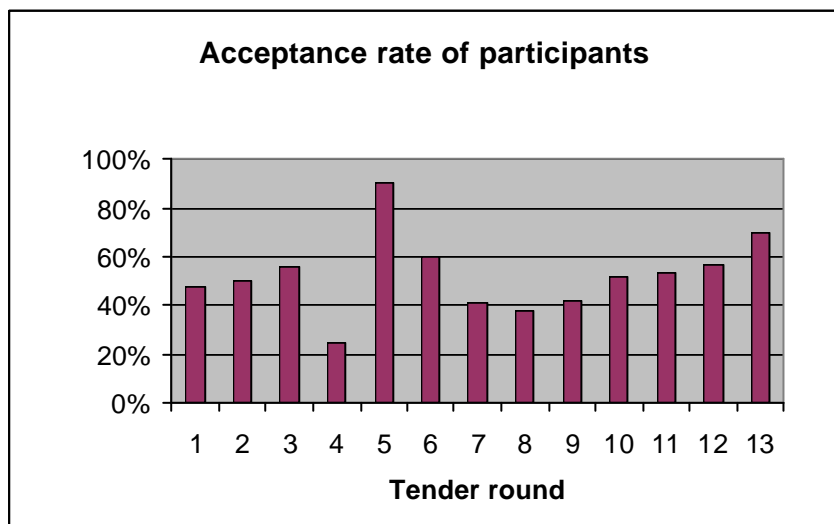
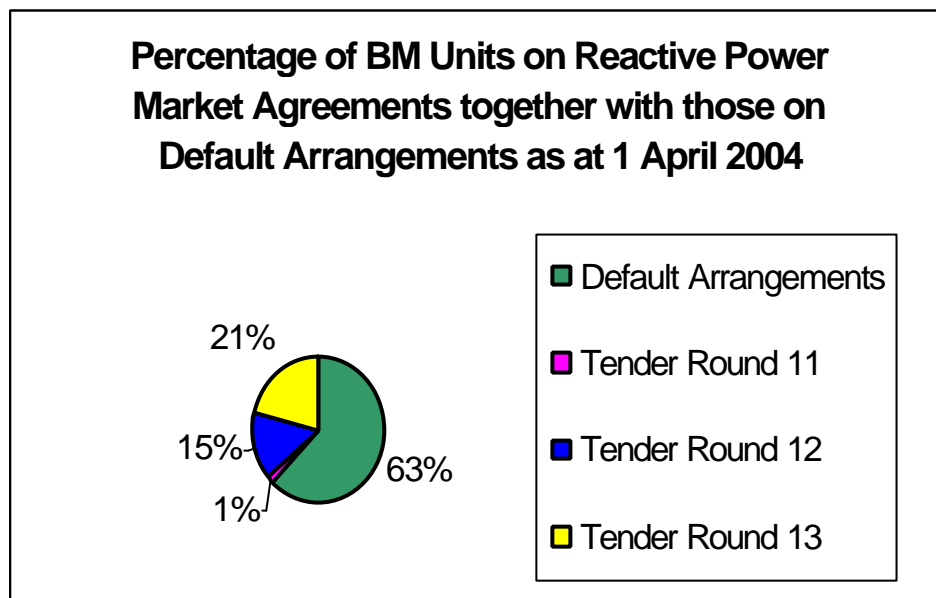


Figure 3 (Source: Appendix 1)

7.3 On 1 April 2004 there were a total of 57 BM Units on Reactive Power Market Agreements with 2 from Tender Round 11, 23 from Tender Round 12 and 32 from this 13th Tender Round. This information is shown in Figure 4 in percentage terms, including comparison with BM Units on default payment arrangements.

Figure 4 (Source: Appendix 2)



7.4 Figure 5 shows the percentage of eligible BM Units on a Reactive Power Market Agreement as at 1 April 2004 on a regional basis.

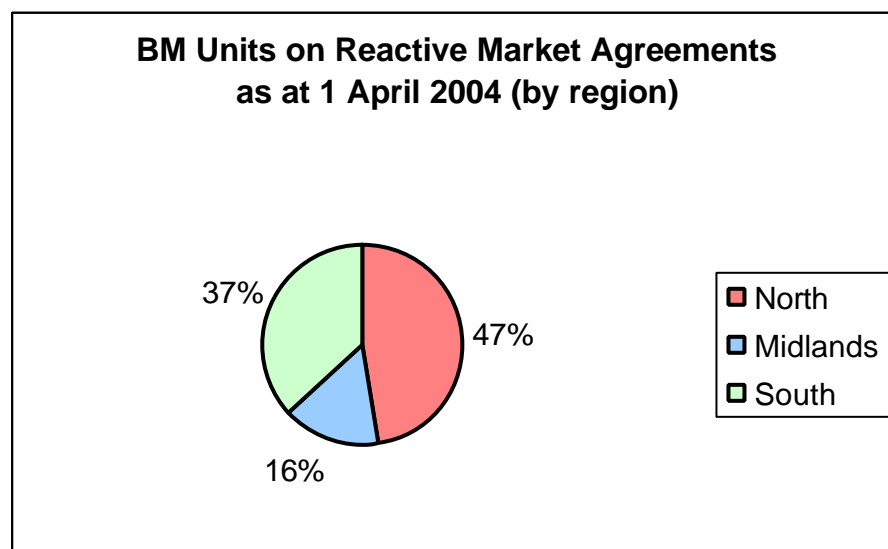


Figure 5 (Source: Appendix 2)

7.5 Figure 6 shows the % of total available lagging capability that has been contracted via Reactive Power Market Agreements since the commencement of the Reactive Power Market.

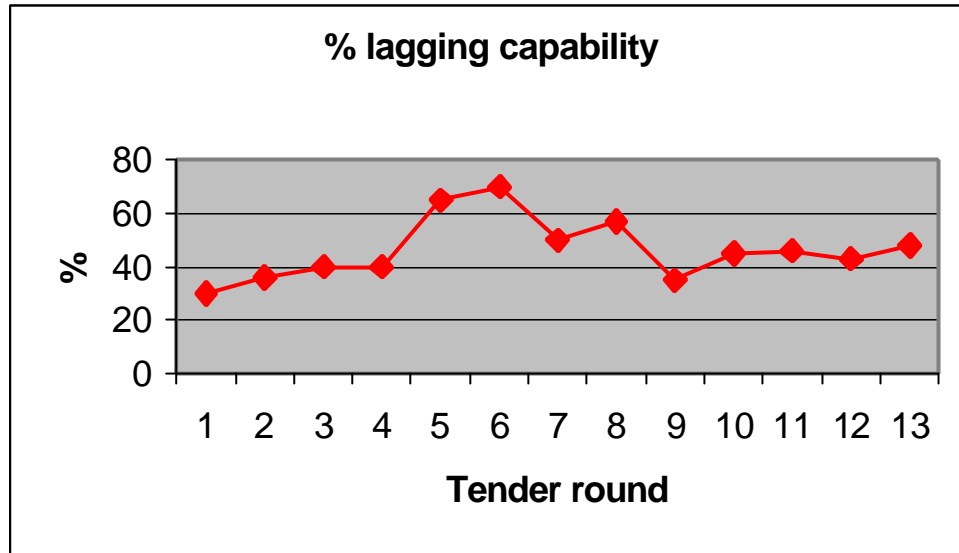


Figure 6 (Source: Appendix 1)

8. Generating Unit Reactive Mvarh Utilisation

- 8.1 This section summarises a six-month breakdown of metered BM Unit Reactive Power utilisation over the period 1 October 2003 to 31 March 2004.
- 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 October 2003 to March 2004 is provided in Appendix 5.

Utilisation Volume (Mvarh)

Month	Default Payment Mechanism	Market Agreements	Total = Market Agreements + DPM
Oct-03	1,216,460	1,146,930	1,363,390
Nov-03	1,182,793	1,075,971	2,258,674
Dec-03	1,207,954	1,002,989	2,210,943
Jan-04	1,278,619	1,166,390	2,445,009
Feb-04	1,108,484	1,114,350	2,222,834
Mar-04	1,218,998	1,254,564	2,473,562
Total	7,213,218	6,761,194	13,974,412

Table 1 - Summary of Generator Reactive utilisation Oct 03 – Mar 04

- 8.3 Table 2, on the next page, shows six-monthly utilisation totals since 1996, sorted by the Seven Year Statement defined regions - North, Midlands and South.
- 8.4 The volumes set out in Table 2 refer to all BM Units eligible for a reactive utilisation payment (default plus market). Mvarh lag and Mvarh lead are calculated according to the aggregation methodology described within Appendix 2 in Schedule 3 of the CUSC and also within the companion document "Methodology Document for the Aggregation of Reactive Power Metering" by which reactive utilisation payments are made.
- 8.5 The reduction over the last 7 years is attributable to more distributed generation and lower power flows across the system which has resulted in a reduction in reactive losses on the supergrid and hence the reactive utilisation required from generation.

Table 2 – Generator Reactive Utilisation (Tvarh) by region

	NORTH		MIDLANDS		SOUTH		TOTAL		
	lead	lag	lead	lag	lead	lag	lead	lag	lead + lag
Apr96 - Sep96	2.86	9.79	0.37	1.94	1.49	2.29	4.72	14.02	18.74
Oct96 - Mar97	2.72	12.71	0.36	3.07	1.74	2.72	4.82	18.50	23.32
Apr97 - Sep97	2.89	8.65	0.41	1.60	1.87	1.77	5.17	12.02	17.19
Oct97 - Mar98	2.78	10.67	0.31	3.07	1.54	2.01	4.63	15.75	20.38
Apr98 - Sep98	1.96	7.68	0.44	2.02	1.85	1.51	4.25	11.20	15.45
Oct98 - Mar99	1.71	9.54	0.36	2.07	1.65	1.66	3.76	13.48	17.24
Apr99 - Sep99	1.77	7.25	0.37	1.52	1.27	1.40	3.40	10.20	13.60
Oct99 – Mar00	1.98	10.45	0.27	2.13	1.35	2.19	3.60	14.77	18.37
Apr00 – Sep00	1.44	6.31	0.48	1.69	1.59	1.32	3.51	9.32	12.83
Oct00 – Mar01	1.52	7.40	0.40	2.72	1.48	1.73	3.40	11.85	15.25
Apr01 – Sep01	1.80	4.59	0.50	1.76	1.94	1.18	4.24	7.53	11.77
Oct01 - Mar02	1.70	5.79	0.58	3.07	1.50	1.78	3.79	10.65	14.44
Apr02 – Sep02	1.59	4.70	0.52	0.95	1.76	1.20	3.87	6.85	10.72
Oct02 – Mar03	1.71	5.73	0.47	2.51	1.53	1.78	3.71	10.02	13.73
Apr03 – Sep03	1.40	3.96	0.56	1.59	1.92	1.36	3.88	6.91	10.79
Oct03 – Mar04	2.28	5.48	0.34	1.89	1.69	2.29	4.31	9.66	13.97

9. Estimates of the reactive contribution of the National Grid Transmission System for October 2003 to March 2004

9.1 National Grid is required by Schedule 3 of the CUSC to 'use all reasonable endeavours' to provide estimates of the Reactive Power absorption and generation in Mvarh by the National Grid Transmission System for the six-month period ending 31 March 2004.

9.2 This has been approached in two stages:

- The net Reactive Power utilisation (Tvarh) of the National Grid Transmission System has been derived from the difference between the reactive output of generating units and the Net Reactive Demand at Grid Supply Points (GSPs). This is shown in Table 3 where the accuracy of the data is consistent with the underlying meter readings. The generation figures are a national monthly summation of the Settlements figures given in Appendix 5. At this stage, the data in Table 3, on the next page, may be subject to amendment via accruals or any outstanding disputes.
- The net Tvarh described above has been broken down by Transmission System component and is also shown in Table 3. It should be noted that this information is based on estimates and operational records only. The 'net reactive demand at GSP' figures have been derived from operational records. The figures shown are net, i.e. lagging demand minus leading demand, and in the case of the figures in Table 3 they show lagging demand in each month. These figures represent the net effect of the consumer demand plus the LV losses minus the LV gain.

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 December 2003, $(1.44 - 0.77 = 5.28 - 4.61)$. 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 more detailed breakdown found in Table 3 can be described by the following equation:

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

Table 3 - Net National Grid System Effect

Component (Tvarh)	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	6 month total
MSC	2.22	2.16	2.08	2.41	2.42	2.55	13.84
Shunt Reactor	-1.62	-1.45	-1.68	-1.33	-1.20	-1.23	-8.51
SVC generation	0.09	0.16	0.16	0.15	0.09	0.10	0.75
SVC absorption	-0.14	-0.11	-0.12	-0.10	-0.12	-0.14	-0.73
HV network shunt gain	8.73	8.47	9.00	9.13	8.58	8.86	52.87
HV network series losses	-2.52	-2.27	-2.43	-2.76	-2.80	-2.97	-15.75
SGT series losses	-2.14	-2.26	-2.40	-2.48	-2.53	-2.37	-14.18
Net NGC System Utilisation	4.62	4.70	4.61	5.02	4.44	4.80	28.19
Generation Lead	-0.73	-0.73	-0.77	-0.74	-0.65	-0.69	-4.31
Generation Lag	1.63	1.53	1.44	1.70	1.57	1.79	9.66
Net Demand at GSPs	5.52	5.50	5.28	5.98	5.36	5.90	33.54

9.7 Points to note when considering Table 3 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 Compensators) and shunt reactors is determined by operational security requirements.

10. Exceptional Reactive Power Requirements

- 10.1 Paragraph 5 in Schedule 3 of the CUSC (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 1 October 2003 – 31 March 2004 no such services were required by National Grid for the provision of voltage support.

Appendices

Appendix 1 - Comparisons with previous Tender Rounds

Tender Round	Tender Round Start date	BM 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%
11	1 Apr 2003	125	59	59	0	57	2	31	30	~46%
12	1 Oct 2003	121	56	56	0	49	7	32	23	~43%
13	1 Apr 2004	126	46	46	0	41	5	32	32	~48%

Appendix 2 - BM Units' contractual position at 1 April 2004

North

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
1	BRGG_01Z	DPM	25	DRAXX10G	DPM	49	HRTL_02Z	DPM
2	CDCL_01Z	DPM	26	DRAXX12G	DPM	50	HUMR_01Z	DPM
3	CNQPS01Z	Market 13	27	EGGPS01Z	Market 12	51	KEAD_01Z	Market 12
4	CNQPS02Z	Market 12	28	EGGPS02Z	Market 12	52	KILNS01Z	Market 12
5	CNQPS03Z	Market 13	29	EGGPS03Z	Market 12	53	KILLP01Z	DPM
6	CNQPS04Z	Market 12	30	EGGPS04Z	Market 12	54	KILLP02Z	DPM
7	COTPS01Z	DPM	31	FELL_01Z	DPM	55	ROCK_01Z	DPM
8	COTPS02Z	DPM	32	FERR_01Z	DPM	56	ROOS_01Z	DPM
9	COTPS03Z	DPM	33	FERR_02Z	DPM	57	SCCL_01Z	DPM
10	COTPS04Z	DPM	34	FERR_03Z	DPM	58	SCCL_02Z	DPM
11	DEEP_01Z	Market 13	35	FERR_04Z	DPM	59	SCCL_03Z	DPM
12	DINO_01Z	DPM	36	FFES_01Z	DPM	60	SHBA_01Z	Market 13
13	DINO_02Z	DPM	37	FFES_02Z	DPM	61	SHBA_02Z	Market 13
14	DINO_03Z	DPM	38	FFES_03Z	DPM	62	SHOT_01Z	DPM
15	DINO_04Z	DPM	39	FFES_04Z	DPM	63	TESI_01Z	DPM
16	DINO_05Z	DPM	40	FIDL_01Z	DPM	64	TESI_02Z	DPM
17	DINO_06Z	DPM	41	FIDL_02Z	DPM	65	WBUPS01Z	Market 13
18	DRAXX01Z	Market 13	42	FIDL_03Z	DPM	66	WBUPS02Z	Market 13
19	DRAXX02Z	Market 13	43	FIDL_04Z	DPM	67	WBUPS03Z	Market 13
20	DRAXX03Z	Market 13	44	HEYM101Z	Market 12	68	WBUPS04Z	Market 13
21	DRAXX04Z	Market 13	45	HEYM102Z	Market 12	69	WYLF_01Z	DPM
22	DRAXX05Z	Market 13	46	HEYM207Z	Market 12	70	WYLF_02Z	DPM
23	DRAXX06Z	Market 13	47	HEYM208Z	Market 12	71	WYLF_03Z	DPM
24	DRAXX09G	DPM	48	HRTL_01Z	DPM	72	WYLF_04Z	DPM

Midlands

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
73	CORB_01Z	Market 13	80	PETEM01Z	DPM	87	RUGPS06G	DPM
74	DERW_01Z	DPM	81	RATS_01Z	Market 13	88	RUGPS07G	DPM
75	GYAR_01Z	DPM	82	RATS_02Z	Market 13	89	SIZB_01Z	Market 13
76	IRNPS01Z	Market 13	83	RATS_03Z	Market 12	90	SIZB_02Z	Market 13
77	IRNPS02Z	Market 13	84	RATS_04Z	Market 12	91	SIZEA01Z	DPM
78	KLYNA01Z	DPM	85	RUGPS06Z	DPM	92	SIZEA02Z	DPM
79	LBAR_01Z	DPM	86	RUGPS07Z	DPM	93	SPLN-1	DPM
						94	SUTB_01Z	DPM

Reactive Power 13th Tender Round Market Report – 12 May 2004

South

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
95	ABTHB07Z	Market 13	115	DIDC_03G	DPM	135	KINO_03Z	DPM
96	ABTHB08Z	Market 11	116	DIDC_04G	DPM	136	KINO_04Z	DPM
97	ABTHB09Z	Market 11	117	DNGB_21Z	Market 13	137	LITTD01G	DPM
98	BAGE_01Z	DPM	118	DNGB_22Z	Market 13	138	LITTD02G	DPM
99	BAGE_02Z	DPM	119	DUNGA01Z	DPM	139	LITTD03G	DPM
100	BARK_02Z	Market 12	120	DUNGA02Z	DPM	140	LITTD01Z	Market 12
101	BARK_11Z	DPM	121	DUNGA03Z	DPM	141	LITTD02Z	Market 12
102	BROP_01Z	DPM	122	DUNGA04Z	DPM	142	MEDP_01Z	Market 12
103	COSO_01Z	DPM	123	EECL_01Z	DPM	143	OLDS_01Z	DPM
104	COWE_01Z	DPM	124	FAWL_03Z	Market 13	144	OLDS_02Z	DPM
105	COWE_02Z	DPM	125	FAWN_01Z	DPM	145	RYHPS01Z	Market 13
106	DAMC_01Z	DPM	126	FIFO_13Z	DPM	146	SEAB_01Z	Market 12
107	DIDC_01Z	DPM	127	FIFO_14Z	DPM	147	SEAB_02Z	Market 12
108	DIDC_02Z	DPM	128	FIFO_15Z	DPM	148	SHOS_01Z	DPM
109	DIDC_03Z	DPM	129	GRAI_01Z	DPM	149	TAYL_02Z	Market 12
110	DIDC_04Z	DPM	130	GRAI_04Z	DPM	150	TAYL_03Z	Market 13
111	DIDCB05Z	Market 13	131	HINB_07Z	Market 12	151	TILBB08Z	DPM
112	DIDCB06Z	Market 13	132	HINB_08Z	Market 12	152	TILBB09Z	DPM
113	DIDC_01G	DPM	133	KINO_01Z	Market 13	153	TILBB10Z	DPM
114	DIDC_02G	DPM	134	KINO_02Z	Market 13			

Notes :

Market 11 refers to those contracts commencing 1 April 2003.

Market 12 refers to those contracts commencing 1 October 2003.

Market 13 refers to those contracts commencing 1 April 2004.

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

Appendix 3 - Reactive Market Agreement status at 1 April 2004

Contracts Continuing on 1 April 2004			
	Company	BM Unit ID	Contract Expiry Date
1	Barking Power Limited	BARK021Z	30/09/04
2	British Energy Generation (UK) Ltd	HEYM101Z	30/09/04
2	British Energy Generation (UK) Ltd	HEYM102Z	30/09/04
4	British Energy Generation (UK) Ltd	HEYM207Z	30/09/04
5	British Energy Generation (UK) Ltd	HEYM208Z	30/09/04
6	British Energy Generation (UK) Ltd	HINB_07Z	30/09/04
7	British Energy Generation (UK) Ltd	HINB_07Z	30/09/04
8	Eggborough Power Ltd	EGGB_01Z	30/09/04
9	Eggborough Power Ltd	EGGB_02Z	30/09/04
10	Eggborough Power Ltd	EGGB_03Z	30/09/04
11	Eggborough Power Ltd	EGGB_04Z	30/09/04
12	Keadby Generation Ltd	KEAD_01Z	30/09/04
13	Killingholme Power Ltd	KILNS01Z	30/09/05
14	Medway Power Ltd	MEDP_01Z	30/09/04
15	Powergen UK plc	CONQ_02Z	30/09/04
16	Powergen UK plc	CONQ_04Z	30/09/04
17	Powergen UK plc	RATS_03Z	30/09/04
18	Powergen UK plc	RATS_04Z	30/09/04
19	Powergen UK plc	TAYL_02Z	30/09/06
20	RWE Innogy plc	LITTD01Z	30/09/04
21	RWE Innogy plc	LITTD02Z	30/09/04
22	RWE Innogy plc	ABTHB08Z	30/09/04
23	RWE Innogy plc	ABTHB09Z	31/03/05
24	Seabank Power Ltd	SEAB_01Z	30/09/04
25	Seabank Power Ltd	SEAB_02Z	30/09/04

Reactive Power 13th Tender Round Market Report – 12 May 2004

New Contracts Commencing on 1 April 2004			
	Company	BM Unit ID	Contract Expiry Date
1	British Energy	DNGB_21Z	31/03/05
2	British Energy	DNGB_22Z	31/03/05
3	British Energy	SIZB_01Z	31/03/05
4	British Energy	SIZB_02Z	31/03/05
5	Corby Power Limited	CORB_01Z	31/03/05
6	Deeside Power Development Co Ltd	DEEP_01Z	31/03/05
7	Drax Power Limited	DRAXX01Z	31/03/05
8	Drax Power Limited	DRAXX02Z	31/03/05
9	Drax Power Limited	DRAXX03Z	31/03/05
10	Drax Power Limited	DRAXX04Z	31/03/05
11	Drax Power Limited	DRAXX05Z	31/03/05
12	Drax Power Limited	DRAXX06Z	31/03/05
13	Humber Power Limited	SHBA_01Z	31/03/05
14	Humber Power Limited	SHBA_02Z	31/03/05
15	Powergen UK plc	CONQ_01Z	31/03/05
16	Powergen UK plc	CONQ_03Z	31/03/05
17	Powergen UK plc	IRNPS01Z	30/09/05
18	Powergen UK plc	IRNPS02Z	31/03/05
19	Powergen UK plc	KINO_01Z	30/09/05
20	Powergen UK plc	KINO_02Z	31/03/05
21	Powergen UK plc	RATS_01Z	31/03/05
22	Powergen UK plc	RATS_02Z	31/03/05
23	Powergen UK plc	TAYL_03Z	31/03/07
24	RWE Innogy plc	ABTHB07Z	31/03/05
25	RWE Innogy plc	DIDCB05Z	31/03/05
26	RWE Innogy plc	DIDCB06Z	31/03/05
27	RWE Innogy plc	FAWL_03Z	31/03/05
28	Scottish Power plc	RYHPS01Z	31/03/05
29	West Burton Limited	WBUPS01Z	31/03/05
30	West Burton Limited	WBUPS02Z	31/03/05
31	West Burton Limited	WBUPS03Z	31/03/05
32	West Burton Limited	WBUPS04Z	31/03/05

Reactive Power 13th Tender Round Market Report – 12 May 2004

**Appendix 4 - Successful tender details for contracts commencing
1 April 2004**

Company Name: British Energy Generation			Station Name: Dungeness B			
Genset ID: DNGB_21Z			Contract Period: 12 months			
Nominated GRC: 501 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	291	150	50	75	200	357
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.050	0.016	0.014	0.014	0.016	0.050
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.280	1.000	0.960	0.960	1.000	2.280

Company Name: British Energy Generation			Station Name: Dungeness B			
Genset ID: DNGB_22Z			Contract Period: 12 months			
Nominated GRC: 494 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	288	150	50	75	200	352
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.050	0.016	0.014	0.014	0.016	0.050
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.280	1.000	0.960	0.960	1.000	2.280

Company Name: British Energy Generation			Station Name: Sizewell B			
Genset ID: SIZB_01Z			Contract Period: 12 months			
Nominated GRC: 563 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	294	200	50	75	200	262
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.090	0.018	0.010	0.010	0.018	0.090
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.400	1.040	0.995	0.995	1.040	1.400

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: British Energy Generation			Station Name: Sizewell B			
Genset ID: SIZB_02Z			Contract Period: 12 months			
Nominated GRC: 562 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	286	200	50	75	200	262
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.090	0.018	0.010	0.010	0.018	0.090
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.400	1.040	0.995	0.995	1.040	1.400

Company Name: Corby Power Limited			Station Name: Corby			
Genset ID: CORB_01Z			Contract Period: 12 months			
Nominated GRC: 372 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	185	150	48	48	135	155
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.038	0.028	0.025	0.025	0.028	0.038
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.042	0.031	0.028	0.028	0.031	0.042
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.330	0.220	0.440	0.495	3.325

Company Name: Deeside Power Development Company Limited			Station Name: Deeside			
Genset ID: DEEP_01Z			Contract Period: 12 months			
Nominated GRC: 495 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	234	175	50	75	175	230
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.050	0.045	0.035	0.035	0.045	0.080
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.000	1.050	0.950	0.950	1.050	2.000

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: Drax Power Limited			Station Name: Drax			
Genset ID: DRAXX01Z			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 195	Q3:Lag 268
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.135	CA2Lead: 0.068	CA1Lead: 0.041	CA1Lag: 0.049	CA2Lag: 0.144	CA3Lag: 0.388
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: 2.062	CU2Lead: 0.454	CU1Lead: 0.227	CU1Lag: 0.227	CU2Lag: 0.577	CU3Lag: 2.371

Company Name: Drax Power Limited			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 195	Q3:Lag 268
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.135	CA2Lead: 0.068	CA1Lead: 0.041	CA1Lag: 0.049	CA2Lag: 0.144	CA3Lag: 0.388
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.010	CS2Lead: 0.007	CS1Lead: 0.005	CS1Lag: 0.005	CS2Lag: 0.007	CS3Lag: 0.010
Utilisation Prices (£/Mvarh)	CU3Lead: 2.062	CU2Lead: 0.454	CU1Lead: 0.227	CU1Lag: 0.227	CU2Lag: 0.577	CU3Lag: 2.371

Company Name: Drax Power Limited			Station Name: Drax			
Genset ID: DRAXX03Z			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: 286	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 195	Q3:Lag 268
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.135	CA2Lead: 0.068	CA1Lead: 0.041	CA1Lag: 0.049	CA2Lag: 0.145	CA3Lag: 0.400
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: 2.062	CU2Lead: 0.454	CU1Lead: 0.227	CU1Lag: 0.227	CU2Lag: 0.590	CU3Lag: 2.390

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: Drax Power Limited			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	273	200	50	100	195	275
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.135	0.068	0.041	0.049	0.144	0.388
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.015	0.010	0.005	0.005	0.010	0.015
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.062	0.454	0.227	0.227	0.577	2.371

Company Name: Drax Power Limited			Station Name: Drax			
Genset ID: DRAXX05Z			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	273	200	50	100	200	274
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.135	0.068	0.041	0.049	0.144	0.388
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.062	0.454	0.227	0.227	0.577	2.371

Company Name: Drax Power Limited			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	272	200	50	100	195	273
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.135	0.068	0.041	0.049	0.145	0.400
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.312	0.156	0.052	0.312	0.520	1.352
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.062	0.454	0.227	0.227	0.590	2.390

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: Humber Power Limited			Station Name: South Humber Bank			
Genset ID: SHBA_01Z			Contract Period: 12 months			
Nominated GRC: 785 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	356	200	50	100	200	338
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.000	0.000	0.000	0.047	0.052	0.052
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.550	0.900	0.900	0.900	0.900	1.550

Company Name: Humber Power Limited			Station Name: South Humber Bank			
Genset ID: SHBA_02Z			Contract Period: 12 months			
Nominated GRC: 527 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	237	200	50	75	200	239
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.000	0.000	0.000	0.047	0.052	0.052
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.550	0.900	0.900	0.900	0.900	1.550

Company Name: Powergen UK plc			Station Name: Connahs Quay			
Genset ID: CONQ_01Z			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	176	140	48	48	125	155
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.065	0.048	0.043	0.043	0.048	0.065
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.039	0.029	0.026	0.026	0.029	0.039
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.300	0.200	0.400	0.450	3.325

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: Powergen UK plc			Station Name: Connahs Quay			
Genset ID: CONQ_03Z			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	177	140	48	48	125	155
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.060	0.045	0.040	0.040	0.045	0.060
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.057	0.043	0.038	0.038	0.043	0.057
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.300	0.200	0.400	0.450	3.325

Company Name: Powergen UK plc			Station Name: Ironbridge			
Genset ID: IRNPS01Z			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	166	130	48	73	170	209
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.050	0.037	0.033	0.033	0.037	0.050
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.041	0.030	0.027	0.027	0.030	0.041
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.300	0.200	0.400	0.450	3.325

Company Name: Powergen UK plc			Station Name: Ironbridge			
Genset ID: IRNPS02Z			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	157	125	48	73	170	207
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.042	0.032	0.028	0.028	0.032	0.042
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.057	0.043	0.038	0.038	0.043	0.057
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.300	0.200	0.400	0.450	3.325

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: Powergen UK plc			Station Name: Kingsnorth			
Genset ID: KINO_01Z			Contract Period: 18 months			
Nominated GRC: 485	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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	133	100	48	73	165	195
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.047	0.035	0.031	0.031	0.035	0.047
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.051	0.038	0.034	0.034	0.038	0.051
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.334	0.223	0.446	0.500	3.325

Company Name: Powergen UK plc			Station Name: Kingsnorth			
Genset ID: KINO_02Z			Contract Period: 12 months			
Nominated GRC: 485	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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	132	100	48	73	165	195
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.047	0.035	0.031	0.031	0.035	0.047
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.047	0.035	0.031	0.031	0.035	0.047
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.334	0.223	0.446	0.500	3.325

Company Name: Powergen UK plc			Station Name: Ratcliffe on Soar			
Genset ID: RATS_01Z			Contract Period: 12 months			
Nominated GRC: 500 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	147	110	48	73	140	170
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.083	0.062	0.055	0.055	0.062	0.083
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.080	0.060	0.053	0.053	0.060	0.080
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.300	0.200	0.400	0.450	3.325

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: Powergen UK plc			Station Name: Ratcliffe on Soar			
Genset ID: RATS_02Z			Contract Period: 12 months			
Nominated GRC: 500 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	128	90	48	73	160	193
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.083	0.062	0.055	0.055	0.062	0.083
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.048	0.036	0.032	0.032	0.036	0.048
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.300	0.200	0.400	0.450	3.325

Company Name: Powergen UK plc			Station Name: Taylors Lane			
Genset ID: TAYL_03Z			Contract Period: 36 months			
Nominated GRC: 64 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	30	25	8	8	25	29
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.004	0.003	0.003	0.003	0.003	0.004
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	1.065	0.798	0.710	0.710	0.798	1.065
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	3.325	0.300	0.200	0.400	0.45-	3.325

Company Name: RWE Innogy plc			Station Name: Aberthaw B			
Genset ID: ABTHB07Z			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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	147	100	35	35	100	211
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.030	0.010	0.005	0.015	0.050	0.200
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.000	0.900	0.300	0.300	0.900	2.000

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: RWE Innogy plc			Station Name: Didcot B			
Genset ID: DIDCB05Z			Contract Period: 12 months			
Nominated GRC: 680 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	305	175	50	100	200	275
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.140	0.070	0.040	0.040	0.070	0.180
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.000	1.000	0.500	0.500	1.000	2.000

Company Name: RWE Innogy plc			Station Name: Didcot B			
Genset ID: DIDCB06Z			Contract Period: 12 months			
Nominated GRC: 690 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	307	175	50	100	180	262
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.120	0.050	0.030	0.050	0.100	0.200
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.000	1.000	0.500	0.500	1.000	2.000

Company Name: RWE Innogy plc			Station Name: Fawley			
Genset ID: FAWL_03Z			Contract Period: 12 months			
Nominated GRC: 484 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	154	100	50	75	154	204
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.100	0.003	0.001	0.001	0.003	0.060
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	1.000	0.400	0.240	0.240	0.400	1.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.000	0.953	0.450	0.450	0.953	2.000

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: Scottish Power			Station Name: Rye House			
Genset ID: RYEH_01Z			Contract Period: 12 months			
Nominated GRC: 715 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: 324	Q2Lead: 250	Q1Lead: 50	Q1Lag: 100	Q2:Lag 260	Q3:Lag 281
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: 0.043	CS2Lead: 0.029	CS1Lead: 0.013	CS1Lag: 0.022	CS2Lag: 0.043	CS3Lag: 0.072
Utilisation Prices (£/Mvarh)	CU3Lead: 1.590	CU2Lead: 1.166	CU1Lead: 1.124	CU1Lag: 1.124	CU2Lag: 1.166	CU3Lag: 1.590

Company Name: West Burton Limited			Station Name: West Burton			
Genset ID: WBUPS01Z			Contract Period: 12 months			
Nominated GRC: 483 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: 179	Q2Lead: 140	Q1Lead: 50	Q1Lag: 75	Q2:Lag 170	Q3:Lag 213
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.016	CA2Lead: 0.011	CA1Lead: 0.007	CA1Lag: 0.150	CA2Lag: 0.170	CA3Lag: 0.220
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.015	CS2Lead: 0.009	CS1Lead: 0.006	CS1Lag: 0.120	CS2Lag: 0.150	CS3Lag: 0.210
Utilisation Prices (£/Mvarh)	CU3Lead: 1.100	CU2Lead: 0.450	CU1Lead: 0.320	CU1Lag: 0.320	CU2Lag: 0.450	CU3Lag: 1.300

Company Name: West Burton Limited			Station Name: West Burton			
Genset ID: WBUPS02Z			Contract Period: 12 months			
Nominated GRC: 503 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: 182	Q2Lead: 145	Q1Lead: 50	Q1Lag: 75	Q2:Lag 140	Q3:Lag 177
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.016	CA2Lead: 0.011	CA1Lead: 0.007	CA1Lag: 0.150	CA2Lag: 0.170	CA3Lag: 0.220
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.015	CS2Lead: 0.009	CS1Lead: 0.006	CS1Lag: 0.120	CS2Lag: 0.150	CS3Lag: 0.210
Utilisation Prices (£/Mvarh)	CU3Lead: 1.100	CU2Lead: 0.450	CU1Lead: 0.320	CU1Lag: 0.320	CU2Lag: 0.450	CU3Lag: 1.300

Reactive Power 13th Tender Round Market Report – 12 May 2004

Company Name: West Burton Limited			Station Name: West Burton			
Genset ID: WBUPS03Z			Contract Period: 12 months			
Nominated GRC: 503 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	182	145	50	75	140	177
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.016	0.011	0.007	0.150	0.170	0.220
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.015	0.009	0.006	0.120	0.150	0.210
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.100	0.450	0.320	0.320	0.450	1.300

Company Name: West Burton Limited			Station Name: West Burton			
Genset ID: WBUPS04Z			Contract Period: 12 months			
Nominated GRC: 483 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:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	180	145	50	75	170	212
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.016	0.011	0.007	0.150	0.170	0.220
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.015	0.009	0.006	0.120	0.150	0.210
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.100	0.450	0.320	0.320	0.450	1.300

National Grid 13th Tender Round Market Report – 4 May 2004

Appendix 5 - Generation Utilisation Volumes by BM Unit – October 2003 to March 2004

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-03		Nov-03		Dec-03		Jan-04		Feb-04		Mar-04		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
ABTHB07Z	Market	1,655	11,274	2,421	13,713	2,685	10,587	2,356	8,635	1,027	5,218	1,309	12,722	11,453	62,149
ABTHB08Z	Market	1,875	11,065	1,822	11,851	2,912	8,433	1,698	11,277	216	4,178	973	7,951	9,496	54,753
ABTHB09Z	Market	2,427	11,287	3,505	12,959	3,100	11,720	1,871	15,795	1,022	5,244	1,841	11,291	13,766	68,296
BAGE_01Z	Default	0	0	0	0	0	281	0	298	0	321	1	324	2	1,224
BAGE_02Z	Default	0	0	0	0	0	0	18	267	12	289	14	305	44	861
BARK_02Z	Market	9,924	20,794	11,547	21,135	9,961	21,795	3,397	5,829	8,334	14,032	8,569	21,387	51,732	104,973
BARK_11Z	Market	8,985	15,683	9,269	17,359	8,243	18,256	12,033	24,165	12,243	16,005	7,678	21,060	58,451	112,529
BRGG_01Z	Default	2,326	1,515	2,112	357	1,905	382	2,064	239	1,902	178	2,337	349	12,646	3,020
BRYP_01Z	Default	1,114	5,215	1,155	3,234	696	3,223	1,356	2,587	641	2,586	1,032	2,519	5,995	19,364
CDCL_01Z	Market	3,548	28,546	1,415	31,452	1,041	26,045	2,991	31,442	3,477	27,608	3,044	36,006	15,515	181,099
CNQPS01Z	Market	5,231	13,299	5,282	15,009	6,341	10,325	2,968	17,317	3,325	11,084	3,243	6,520	26,390	73,554
CNQPS02Z	Market	3,369	3,956	0	0	0	0	3,073	10,796	3,531	12,447	4,542	14,585	14,514	41,784
CNQPS03Z	Market	4,769	13,100	4,637	15,732	6,224	11,855	3,677	16,491	3,397	13,344	4,697	12,883	27,401	83,406
CNQPS04Z	Market	5,448	13,995	2,504	8,468	5,173	10,989	4,702	16,581	2,970	14,287	4,411	15,698	25,208	80,018
CORB_01Z	Market	2,489	8,003	2,679	2,366	654	6,074	601	6,002	1,335	8,207	439	7,156	8,198	37,809
COSO_01Z	Default	3,483	10,883	5,545	7,806	1,628	5,749	2,096	8,269	3,206	9,005	2,621	10,026	18,579	51,738
COTPS01Z	Default	1,730	16,688	2,956	11,968	3,386	16,089	3,423	16,078	1,060	23,150	1,156	21,918	13,711	105,891
COTPS02Z	Default	1,451	24,471	2,264	22,270	3,651	20,327	2,132	22,651	2,416	17,578	1,589	27,249	13,504	134,546
COTPS03Z	Default	3,096	20,871	1,942	18,954	3,532	16,204	3,402	23,361	768	21,643	1,815	23,021	14,554	124,054
COTPS04Z	Default	1,014	8,964	1,408	8,268	1,812	15,062	176	595	1,450	23,432	1,541	25,428	7,400	81,749
COWE_01Z	Default	0	0	0	0	0	54	0	61	0	0	0	3	0	119
COWE_02Z	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DAMC_01Z	Default	17,775	21,828	15,574	23,994	12,345	25,301	11,044	32,610	13,905	26,322	10,136	25,602	80,779	155,656
DEEP_01Z	Market	6,844	18,676	4,956	17,790	1,820	15,630	3,253	18,798	4,148	20,003	4,332	19,383	25,352	110,280
DERW_01Z	Default	5,937	6,611	5,306	2,801	3,122	11,005	3,353	9,555	3,086	12,946	4,512	9,009	25,316	51,927

National Grid 13th Tender Round Market Report – 4 May 2004

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-03		Nov-03		Dec-03		Jan-04		Feb-04		Mar-04		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
DIDC_01G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_01Z	Default	6,459	7,137	13,753	6,455	5,957	7,335	15,021	12,255	9,284	11,126	4,004	6,237	54,478	50,545
DIDC_02G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_02Z	Default	8,527	4,105	15,458	4,349	13,385	7,008	8,737	10,104	2,825	3,660	1,023	5,753	49,955	34,979
DIDC_03G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_03Z	Default	1,879	3,586	6,496	4,552	8,885	8,236	3,188	2,047	11,642	11,581	2,848	4,337	34,939	34,339
DIDC_04G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_04Z	Default	15,855	9,944	12,714	15,500	15,383	8,718	10,966	7,563	8,993	9,956	4,420	7,975	68,332	59,655
DIDCB05Z	Default	25,757	12,063	24,372	9,050	24,524	12,274	19,187	10,784	19,957	18,223	16,992	11,702	130,789	74,096
DIDCB06Z	Default	30,017	9,940	28,567	7,384	28,364	9,809	29,483	14,439	20,649	15,536	9,153	8,570	146,233	65,677
DINO_01Z	Default	11,752	532	15,033	129	11,379	79	12,032	68	9,251	189	8,680	280	68,126	1,276
DINO_02Z	Default	5,022	783	4,084	107	3,180	135	4,724	217	4,314	312	6,407	454	27,732	2,008
DINO_03Z	Default	4,511	655	7,883	462	7,338	595	5,264	628	4,291	477	5,032	579	34,318	3,396
DINO_04Z	Default	6,563	3,373	9,942	1,442	6,444	2,060	5,130	2,601	2,862	3,286	3,088	3,359	34,029	16,120
DINO_05Z	Default	3,882	2,601	9,159	1,007	5,456	533	5,521	1,571	8,205	2,681	8,201	2,057	40,424	10,451
DINO_06Z	Default	5,852	1,098	7,267	137	5,557	2,337	5,905	1,409	2,527	667	3,387	521	30,496	6,169
DNGB_21Z	Market	4,495	4,722	7,374	20,581	4,785	12,656	9,289	20,523	7,835	6,903	17,443	11,316	51,221	76,700
DNGB_22Z	Market	22,811	6,714	10,346	12,056	899	19,179	12,244	18,834	13,030	10,699	4,801	5,959	64,130	73,441
DRAXX01Z	Default	6,470	29,328	7,360	25,368	7,489	21,102	8,225	25,313	6,691	25,291	4,066	25,513	40,301	151,915
DRAXX02Z	Default	5,671	29,173	5,580	24,120	8,681	22,127	6,611	23,414	5,925	23,934	8,686	32,202	41,154	154,971
DRAXX03Z	Default	5,626	24,621	4,421	25,886	10,470	16,178	7,857	25,351	5,604	23,520	6,705	29,778	40,683	145,334
DRAXX04Z	Default	7,292	26,881	6,603	22,107	7,750	21,265	5,606	26,064	6,066	20,671	9,632	30,232	42,948	147,220
DRAXX05Z	Default	5,791	25,780	4,786	21,465	10,652	22,344	8,335	26,101	4,864	23,480	6,402	31,540	40,830	150,710
DRAXX06Z	Default	7,241	27,598	6,289	22,933	7,658	20,496	7,599	26,414	5,966	27,484	7,337	29,779	42,091	154,703
DRAXX09G	Default	0	8	0	0	0	3	0	5	3	4	0	7	3	27
DRAXX10G	Default	0	0	0	0	0	0	31	0	11	0	0	0	42	0
DRAXX12G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DUNGA01Z	Default	1,141	4,356	595	5,819	89	6,319	219	10,977	367	2,005	3,305	2,559	5,715	32,035

National Grid 13th Tender Round Market Report – 4 May 2004

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-03		Nov-03		Dec-03		Jan-04		Feb-04		Mar-04		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
DUNGA02Z	Default	4,041	2,092	1,019	5,781	213	6,726	630	8,074	2,540	3,746	2,292	2,708	10,735	29,128
DUNGA03Z	Default	3,883	1,056	832	6,316	560	4,889	1,442	6,899	2,784	2,475	4,672	987	14,172	22,620
DUNGA04Z	Default	5,935	1,055	2,041	2,828	917	2,347	2,355	4,786	5,138	906	5,627	1,013	22,013	12,934
EECL_01Z	Default	3,182	19,522	5,676	23,647	6,743	19,874	8,132	21,663	7,911	18,854	5,872	22,995	37,516	126,555
EGGPS01Z	Market	2,947	20,211	3,088	20,310	4,834	8,553	4,562	11,873	4,597	9,155	4,497	11,610	24,525	81,712
EGGPS02Z	Market	2,473	14,305	2,230	17,666	2,894	9,108	2,902	10,502	3,924	10,515	2,424	8,781	16,847	70,876
EGGPS03Z	Market	4,789	18,534	4,501	20,503	6,103	13,774	5,884	22,223	5,764	18,787	1,793	6,647	28,833	100,468
EGGPS04Z	Market	5,158	17,415	3,342	19,893	7,865	17,151	4,448	21,884	4,339	17,848	4,033	21,274	29,186	115,465
FAWL_03Z	Market	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FAWN_01Z	Default	2,673	29	1,197	190	1,854	150	1,173	429	1,583	178	1,752	754	10,233	1,730
FELL_01Z	Default	0	20,536	0	20,824	0	20,112	0	21,204	0	18,217	0	23,579	0	124,472
FERR_01Z	Default	2,047	9,007	2,988	12,132	5,304	11,687	2,866	12,552	3,399	9,525	5,002	10,566	21,606	65,468
FERR_02Z	Default	2,406	8,357	2,457	9,891	6,417	12,326	5,239	11,102	3,661	10,450	5,054	10,130	25,234	62,256
FERR_03Z	Default	1,072	16,263	1,160	12,620	4,372	11,082	2,604	13,923	2,848	10,632	2,926	7,308	14,982	71,828
FERR_04Z	Default	1,631	12,635	1,346	9,053	3,276	9,891	2,832	11,773	3,152	6,972	4,077	9,927	16,314	60,251
FFES_01Z	Default	821	1,060	574	1,073	168	970	159	955	64	744	190	770	1,976	5,573
FFES_02Z	Default	1,235	298	1,280	513	2,114	417	1,650	592	1,912	527	2,088	520	10,279	2,868
FFES_03Z	Default	118	27	838	64	644	24	626	33	538	20	440	34	3,205	203
FFES_04Z	Default	1,557	67	1,400	76	1,301	58	1,154	78	834	52	849	55	7,094	386
FIDL_01Z	Default	8,333	915	8,748	2,890	10,717	2,808	7,005	2,594	8,377	1,278	11,691	848	54,872	11,333
FIDL_02Z	Default	6	180	0	0	0	0	7,694	2,828	9,817	2,402	8,662	3,198	26,179	8,608
FIDL_03Z	Default	9,816	999	11,081	1,025	24,614	759	20,061	1,196	16,139	509	20,381	908	102,092	5,395
FIDL_04Z	Default	9,272	2,709	7,611	4,448	10,719	4,298	7,850	3,961	6,952	2,915	8,270	3,458	50,674	21,790
FIFO_13Z	Default	0	0	0	0	517	420	1,814	523	671	581	558	473	3,559	1,996
FIFO_14Z	Default	0	0	54	6	2,231	259	2,211	279	479	762	98	224	5,073	1,530
FIFO_15Z	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GRAI_01Z	Default	40	700	114	881	146	4,554	76	1,242	0	0	0	0	376	7,377
GRAI_04Z	Default	0	0	0	0	496	928	290	120	0	0	0	0	786	1,048

National Grid 13th Tender Round Market Report – 4 May 2004

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-03		Nov-03		Dec-03		Jan-04		Feb-04		Mar-04		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
HEYM101Z	Market	9,527	31,276	13	0	26	0	19	0	2,818	24,301	10,903	43,654	23,306	99,231
HEYM102Z	Market	8,568	31,940	4	0	23	0	0	0	1,572	18,169	10,787	47,953	20,955	98,061
HEYM207Z	Market	8,460	37,359	8,484	70,551	13,951	64,560	13,877	67,718	7,576	58,969	7,446	44,933	59,794	344,091
HEYM208Z	Market	14,863	3,427	24,900	2,409	24,600	1,301	31,951	122	37,219	136	24,933	3,799	158,465	11,193
HINB_07Z	Market	4,094	3,091	19,409	5,373	16,634	7,373	19,493	8,285	14,252	6,357	9,555	1,218	83,436	31,697
HINB_08Z	Market	16,707	11,279	20,960	4,480	16,633	6,461	18,325	4,025	10,648	9,517	15,389	6,089	98,662	41,851
HRTL_01Z	Default	6,612	55,181	5,636	65,678	13,726	53,670	7,441	52,763	4,781	34,164	4,762	59,359	42,957	320,815
HRTL_02Z	Default	56,765	46	39,338	80	16,598	180	32,133	584	29,187	181	27,117	1	201,138	1,073
IRNPS01Z	Market	7,828	2,586	6,097	2,093	3,382	1,060	3,466	6,591	4,016	6,591	6,130	4,801	30,919	23,723
IRNPS02Z	Market	2,530	24,695	2,321	10,607	1,843	12,445	1,859	11,874	1,375	15,814	1,568	21,048	11,496	96,482
KEAD_01Z	Market	5,333	57,447	4,273	54,837	6,696	37,264	2,824	55,535	2,351	48,255	3,561	66,605	25,039	319,943
KILLP01Z	Default	0	0	38	6	39	4	38	39	17	0	49	49	181	98
KILLP02Z	Default	0	0	41	0	42	0	1	7	0	0	21	0	106	7
KILNS01Z	Market	5,702	29,247	10,353	39,808	2,089	16,309	1,299	8,774	1,185	2,013	2,090	13,586	22,719	109,737
KINO_01Z	Market	460	0	406	10	427	3	448	2	85	0	249	9	2,075	24
KINO_02Z	Default	0	0	14,820	3,229	48,813	33	34,639	249	11,890	786	27,731	264	137,893	4,561
KINO_03Z	Market	1,256	243	6,045	10,110	3,876	12,788	5,448	12,915	8,357	10,374	3,588	14,150	28,570	60,579
KINO_04Z	Default	180	119	188	239	51	249	53	284	2	44	46	325	520	1,260
KLYNA01Z	Default	5,603	0	5,274	0	4,797	0	5,347	0	3,775	0	4,858	0	29,654	0
LBAR_01Z	Default	5,574	50,908	6,208	37,352	1,687	47,528	3,521	57,963	1,250	21,516	2,644	46,207	20,884	261,474
LITTD01G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LITTD01Z	Market	5	49	130	1,616	176	2,702	53	4,532	0	0	0	0	364	8,899
LITTD02G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LITTD02Z	Market	1,156	780	18	507	31	574	0	0	0	0	12	2,741	1,217	4,602
LITTD03G	Default	1	0	0	0	0	0	0	0	0	0	0	0	1	0
MEDP_01Z	Market	22,164	11,570	21,708	14,038	25,032	15,323	21,875	19,982	21,198	15,805	20,428	13,802	132,405	90,519
OLDS_01Z	Default	6,761	10,230	4,448	11,102	5,884	8,330	4,970	12,204	5,639	11,532	2,166	16,361	29,868	69,759
OLDS_02Z	Default	3,345	12,674	2,486	16,075	4,308	13,647	6,116	13,015	2,151	15,510	2,922	20,233	21,328	91,154

National Grid 13th Tender Round Market Report – 4 May 2004

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-03		Nov-03		Dec-03		Jan-04		Feb-04		Mar-04		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
PETEM01Z	Default	2,035	5,258	1,624	3,528	1,700	2,837	1,174	2,289	1,253	1,339	2,164	5,053	9,950	20,303
RATS_01Z	Market	3,907	24,725	7,436	5,691	2,758	7,651	4,481	9,366	2,474	6,789	6,507	9,871	27,564	64,092
RATS_02Z	Market	5,636	30,362	3,753	28,599	1,320	26,170	1,243	39,864	2,895	30,087	5,000	39,724	19,847	194,805
RATS_03Z	Market	8,581	30,055	3,868	20,130	1,394	25,639	1,310	30,030	3,013	36,010	3,186	33,977	21,353	175,841
RATS_04Z	Market	6,479	30,305	4,281	29,900	1,499	32,661	2,935	35,373	2,824	41,194	1,351	43,954	19,369	213,387
ROCK_01Z	Default	7,413	11,290	13,665	11,302	13,814	11,261	15,564	13,873	13,002	11,381	16,119	11,064	79,578	70,172
ROOS_01Z	Default	19	5,530	7	8,323	163	8,363	0	13,232	2	6,156	74	4,245	264	45,850
RUGPS06G	Default	0	24	0	41	0	15	0	49	0	31	0	21	0	181
RUGPS06Z	Default	3,206	31,788	3,572	20,414	3,255	16,242	3,736	25,463	2,307	22,339	1,741	28,353	17,816	144,599
RUGPS07G	Default	0	12	0	80	0	40	0	54	0	46	0	82	0	314
RUGPS07Z	Default	4,415	29,977	3,022	18,287	4,865	25,003	3,545	29,807	3,534	21,991	2,383	31,672	21,764	156,737
RYHPS01Z	Market	7,210	42,659	3,961	36,709	1,273	42,315	2,742	39,595	6,075	36,613	6,938	50,408	28,199	248,298
SCCL_01Z	Default	3,051	1,642	2,529	4,865	3,374	1,145	2,393	3,573	2,333	2,308	5,798	23	19,480	13,555
SCCL_02Z	Default	5,235	4,479	1,353	6,363	5,617	2,898	5,845	3,539	2,171	4,187	2,564	2,141	22,786	23,607
SCCL_03Z	Default	1,489	2,203	1,431	2,936	2,133	792	2,861	2,828	1,061	2,574	560	1,387	9,534	12,720
SEAB_01Z	Market	10,486	18,645	6,031	14,440	3,519	13,282	6,534	15,776	4,017	16,800	7,880	11,824	38,466	90,767
SEAB_02Z	Market	4	28	4,920	5,058	5,881	5,116	6,246	7,159	3,531	10,385	7,228	10,872	27,810	38,618
SHBA_01Z	Default	5,705	10,383	5,942	7,447	7,932	6,380	5,194	9,743	3,689	12,260	4,906	14,469	33,369	60,681
SHBA_02Z	Market	4,268	10,148	4,401	9,960	5,168	9,105	3,063	11,577	2,959	10,390	2,369	11,783	22,227	62,963
SHOS_01Z	Default	1,229	1,989	519	119	5,976	2,788	6,239	2,959	5,005	2,994	4,267	4,889	23,235	15,737
SIZB_01Z	Market	657	3,049	736	12,805	4,613	17,629	1,894	23,157	1,611	25,969	1,650	26,678	11,159	109,288
SIZB_02Z	Market	755	2,017	1,578	9,176	4,119	19,139	1,463	25,605	2,366	23,057	1,966	25,837	12,247	104,831
SIZEA01Z	Default	3,778	13,764	1,494	11,157	1,278	3,777	1,233	5,921	1,201	9,887	1,578	3,956	10,561	48,461
SIZEA02Z	Default	3,063	4,580	2,366	2,239	1,881	2,799	1,188	3,231	813	8,270	1,751	6,980	11,063	28,099
SUTB_01Z	Market	7,534	33,966	6,679	19,662	4,399	22,316	5,340	31,193	3,052	38,860	3,995	14,865	30,997	160,862
TAYL_02Z	Market	0	24	0	0	0	45	1	98	8	358	0	51	10	576
TAYL_03Z	Market	0	8	0	0	13	9	5	55	4	171	0	25	22	267
TESI_01Z	Default	3,678	23,226	9,351	23,703	13,144	12,863	9,345	14,467	6,280	15,599	9,579	10,655	51,378	100,513

National Grid 13th Tender Round Market Report – 4 May 2004

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-03		Nov-03		Dec-03		Jan-04		Feb-04		Mar-04		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
TESI_02Z	Default	3,598	17,841	8,484	9,938	17,161	6,577	11,132	9,193	5,929	9,523	10,661	6,903	56,966	59,974
TILBB08Z	Default	3,952	8,316	5,969	7,792	6,400	6,410	3,867	10,150	4,387	7,936	2,169	9,614	26,745	50,219
TILBB09Z	Default	6,643	5,475	5,262	7,332	3,828	9,680	3,483	12,244	4,588	6,365	3,655	6,610	27,458	47,706
TILBB10Z	Default	4,964	6,981	5,271	13,646	3,003	4,197	5,003	11,380	2,612	12,029	2,564	9,478	23,417	57,711
WBUPS01Z	Market	116	32,668	462	22,343	1,706	27,961	1,559	38,675	374	36,198	790	55,646	5,007	213,491
WBUPS02Z	Market	747	45,677	414	35,176	1,019	36,789	1,135	40,864	554	45,258	816	44,383	4,685	248,149
WBUPS03Z	Market	889	46,380	445	39,231	542	36,593	1,030	40,080	933	29,943	848	38,623	4,686	230,850
WBUPS04Z	Market	701	33,785	734	36,073	1,210	38,896	2,379	42,354	349	50,199	672	51,527	6,044	252,833
WYLF_01Z	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WYLF_02Z	Default	18,258	267	16,579	457	14,236	469	12,663	669	12,312	269	12,438	255	86,485	2,387
WYLF_03Z	Default	16,727	710	13,529	543	16,760	289	15,063	323	16,660	439	20,496	10	99,236	2,314
WYLF_04Z	Default	18,681	170	15,718	1,043	14,792	980	15,188	282	17,889	291	24,281	14	106,549	2,780
Subtotal	Default	463,282	753,178	475,206	707,497	541,297	666,656	495,541	783,078	413,260	695,224	438,688	780,310	2,827,275	4,385,943
Subtotal	Market	265,858	881,072	255,737	820,234	231,384	771,605	246,246	920,143	234,203	880,146	247,902	1,006,662	1,481,331	5,279,862
Total	Mvarh	729,140	1,634,249	730,943	1,527,731	772,682	1,438,261	741,787	1,703,222	647,463	1,575,370	686,590	1,786,972	4,308,606	9,665,805

Appendix 6 - Tender Assessment Procedure

A6 Introduction

A6.1 National Grid assessed Reactive Power Tender Round 13 in a manner consistent with the processes applied to all previous Tender Rounds, as detailed in Schedule 3 of the CUSC. Analytical processing was conducted in six-month time periods (Summer - from 1 April to 30 September and Winter – from 1 October to 31 March) in order to consider any interaction with the overlap of contracts secured during the previous Reactive Power Market Tender Rounds and also to take into account the effects of the implementation of CUSC Modification CAP045.

A6.2 National Grid has 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 submitted was entered into TARDIS (Transmission Ancillary Reactive Database Information System).
- *Tender Data validation:* All TARDIS entries were then separately checked back to the original tender sheets. Compliance checks within TARDIS showed that all tenders submitted were compliant.
- *Obligatory Reactive Power Service Assessment* The tenders were assessed against forecast, taking into account the many interacting factors associated with each tender acceptance decision, as described in Appendix 6 in Schedule 3 of the CUSC. This involved, inter-alia, evaluation against projections of expenditure and availability of service against historical and forecast Mvar and Mvarh data to produce central views of the money payable under the DPM (Default Payment Mechanism) or a Market Agreement (described below). The overall assessment was supported by an examination of a number of credible sensitivities around the central assessment.
- *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 BM Unit tendered, the processing was as follows:

- Forecast Mvarh generated, in each band by reactive Mvar breakpoints, were set via extrapolations from historical observations and forecast load factors. The historical observations covered the period 2002 to 2003 and came from the Ancillary Services records against which Reactive Power utilisation is currently being paid.
- The default payment mechanism utilisation money was set at forecast Mvarh multiplied by the forecast utilisation prices, as published in the Invitation to Tender & Guidance Notes for Completion of Tenders in the ITT Documentation. The prices were £1.4507/Mvarh for Summer and £1.6629/MVArh Winter. (Derived from CUSC Schedule 3, using forecast of indices.)
- Market agreement capability money was set at tendered price multiplied by tendered capability, allowing for break-points, multiplied by forecast hours for both available and synchronised capability.
- 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. However, Reactive Power assessment is 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

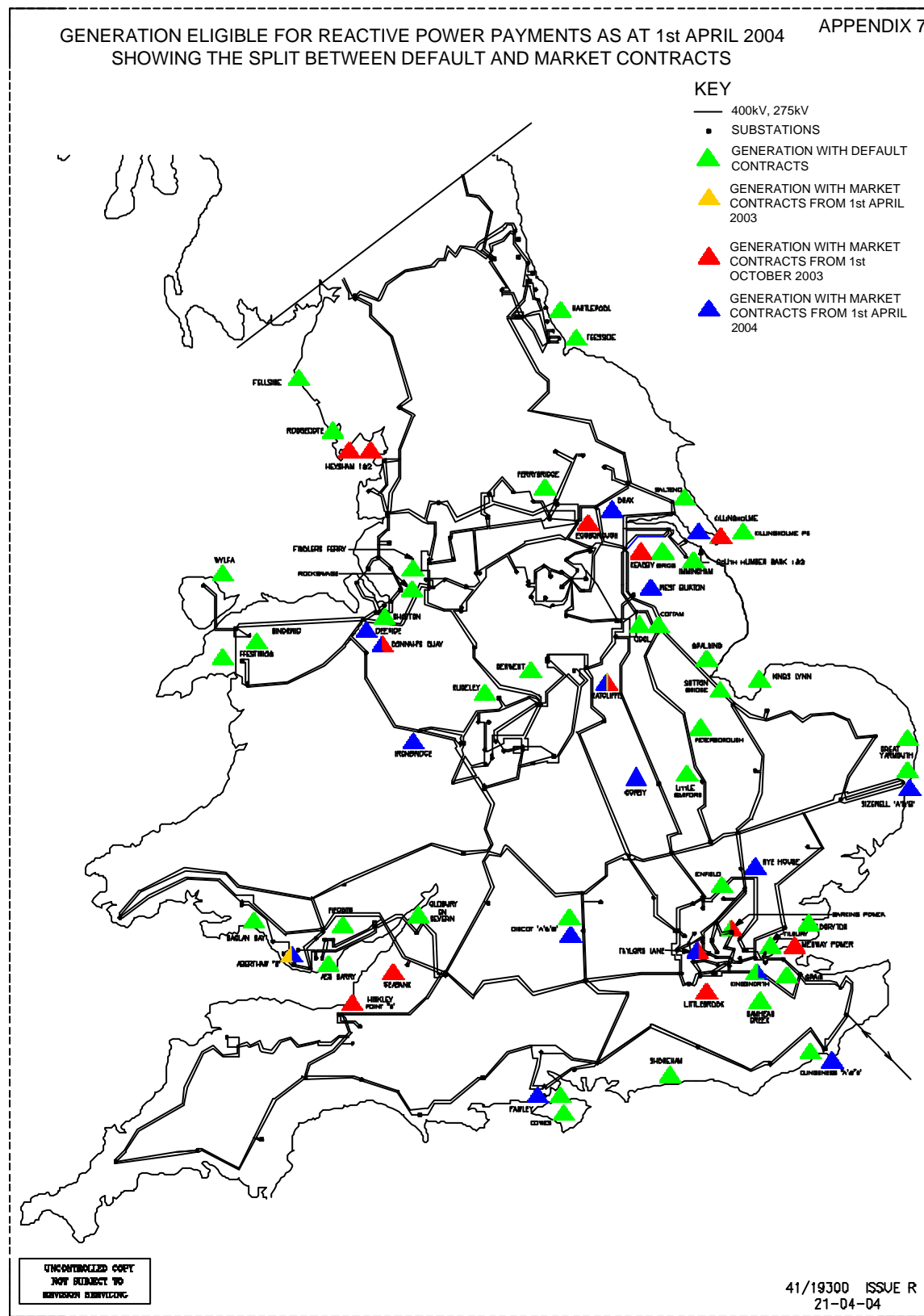
- The principal role of tender assessment is to quantify and evaluate consistently the many factors that should be considered. These factors are referred to in 5.3(e)(ii) of Schedule 3 of the CUSC and are cross-referenced in section 2.12 of the Invitation to Tender & Guidance Notes for Completion of Tenders in the ITT Documentation. National Grid assessment has developed and implemented a process enabling these factors and associated uncertainties to be methodically considered.
- In the light of CAP045, the variability in the DPM price will affect the balance between market and default payments. The robustness of the core contract decisions was tested against a range of $\pm 5\%$ of the forecast default prices used (£1.4507/Mvarh Summer and £1.6629/MVArh Winter).
- The Reactive Power market tender evaluation process is subjective in nature, based as it is on forecast assumptions. It has therefore been 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*
 - ◆ *reinforcements to and planned outages of parts of the transmission system*
- *Would a Market Agreement enhance the incentive on the Generator to maintain its 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 2003/04 and 2004/05 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



Appendix 8 - Contact Information

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

**Paul Bagg
Operations and Trading
National Grid Transco
NGT House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA**

On telephone number: **01926 653443**
Email: **paul.bagg@ngtuk.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