

Fast Reserve

Market Information for Tenders for January 2002

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

Fast Reserve Availability

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

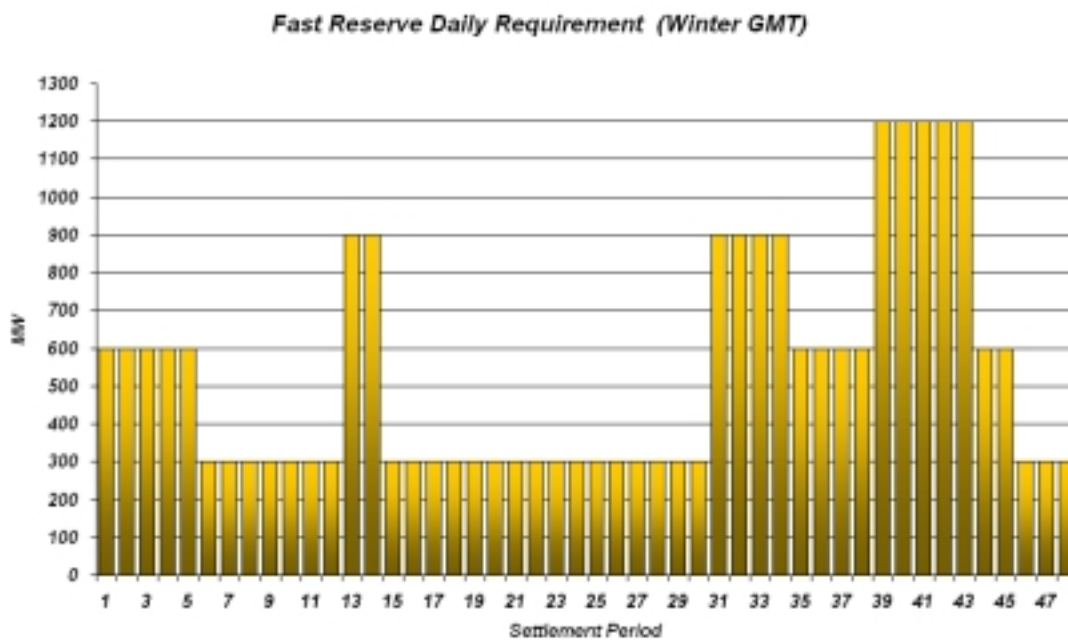


Figure 1

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 "October" (the period 24th September - 21st October 2001) and "November" (22nd Oct - 25th November 2001). This information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve in the BM. For clarity, day numbers rather than dates are shown.

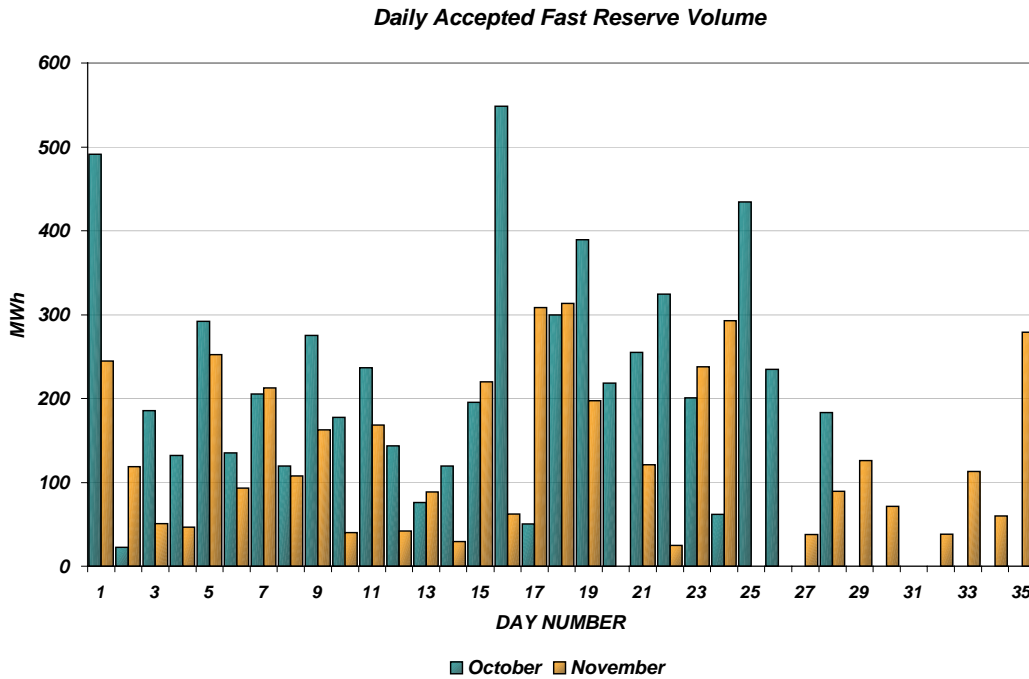


Figure 2

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.

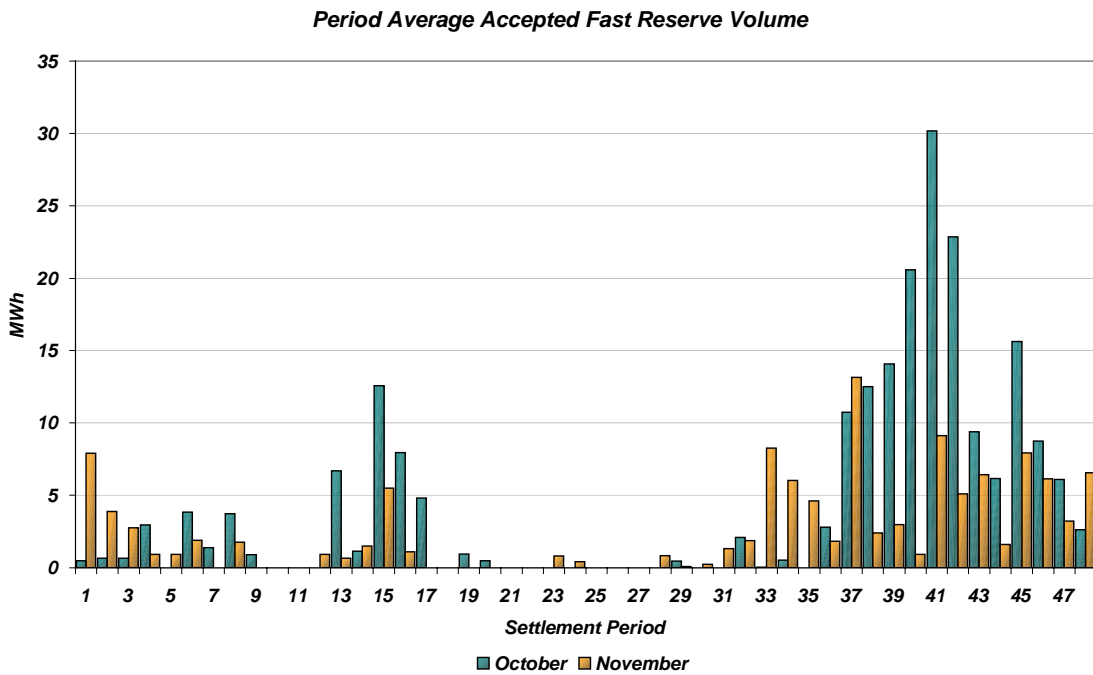


Figure 3

The total volumes of Fast Reserve utilisation of **5.8 GWh** for October and **4.1 GWh** for November break down into price bands as follows:

OCT	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	64.9	5,000.0	0.32
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	559.6	359.5	0.20
	0 to 300	4,508.4	164.0	0.74
Total		5.1 GWh		£1.3 m
BIDS	0 to 300	-337.3	0.0	0.00
	-300 to 0	-62.5	-200.0	0.01
	-1000 to -300	-306.0	-500.0	0.15
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
Total		-0.7 GWh		£0.2 m
Total		5.8 GWh		£1.4 m

NOV	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	55.2	5,000.0	0.28
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	460.9	428.6	0.20
	0 to 300	2,747.7	167.2	0.46
Total		3.3 GWh		£0.9 m
BIDS	0 to 300	-12.4	0.0	0.00
	-300 to 0	-122.1	-230.0	0.03
	-1000 to -300	-694.6	-500.0	0.35
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
Total		-0.8 GWh		£0.4 m
Total		4.1 GWh		£1.3 m

These charts and tables show that from October to November Fast Reserve utilisation cost decreased by 8.5% while the volume utilised reduced by 30%.

Please note that due to temporary limitations of data analysis these utilisation facts and figures do not include all of the utilisation of firm Fast Reserve from successful Fast Reserve tenders in these months.

For the month of **January**, tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid by close of business on Friday 14th December. National Grid will notify Service Providers of the outcome of the tender assessment by Friday 21st December.