

# Fast Reserve

## Market Information for Tenders for February 2006

National Grid publishes this information, in order to inform potential participants for the Fast Reserve tender round for February 2006.

### Fast Reserve Availability

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

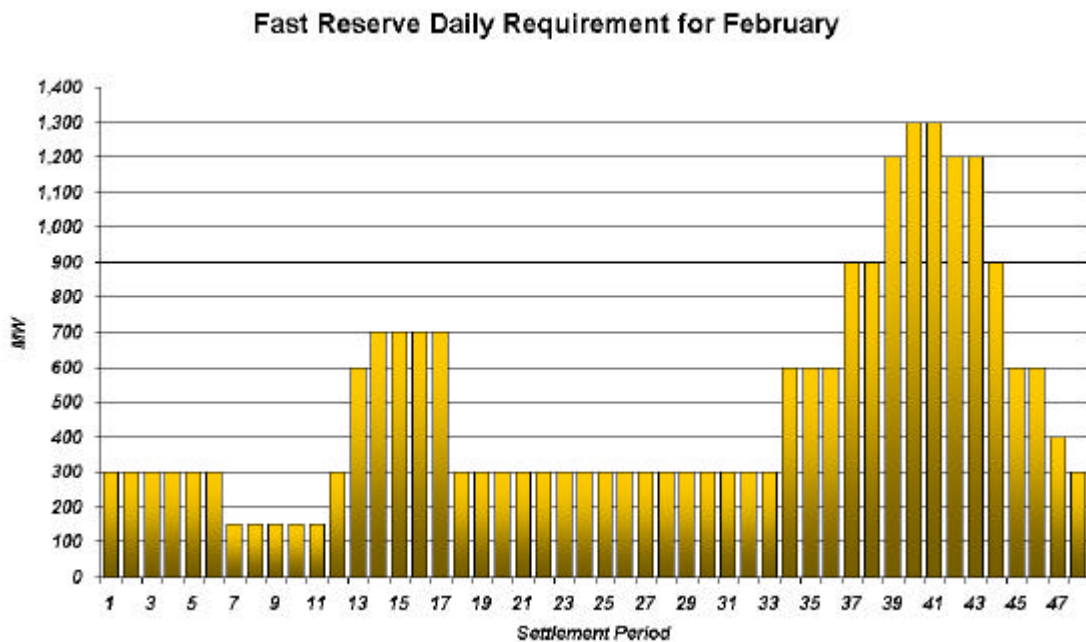


Figure 1

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 November (1<sup>st</sup> – 30<sup>th</sup> November 2005) and December (1<sup>st</sup> – 31<sup>st</sup> December 2005). The BM information is based on the aggregate of Offers plus [Bids] accepted to provide Fast Reserve or an equivalent service.

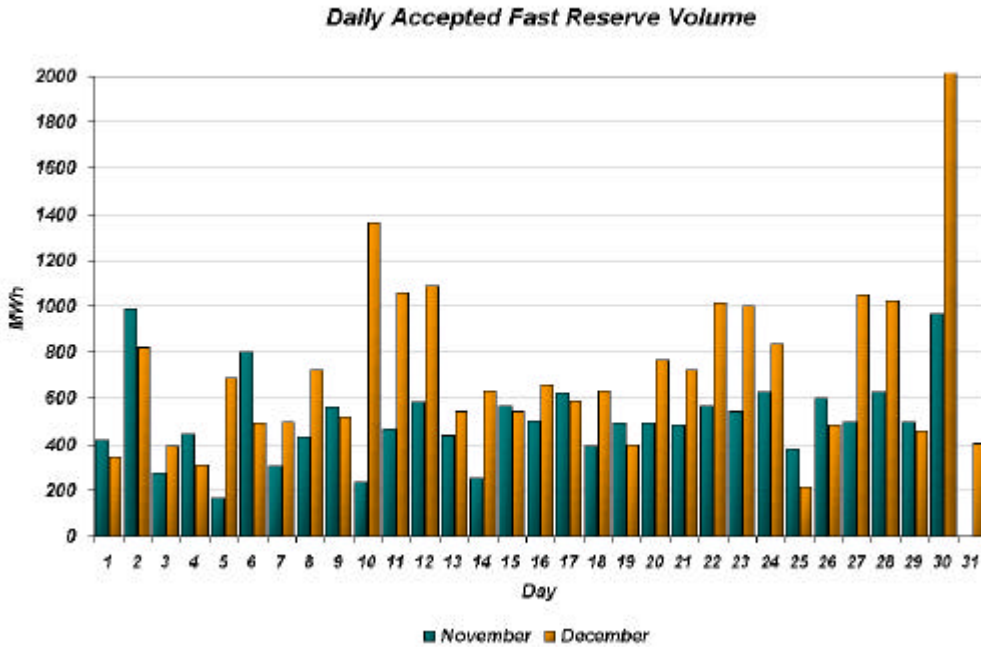


Figure 2

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.

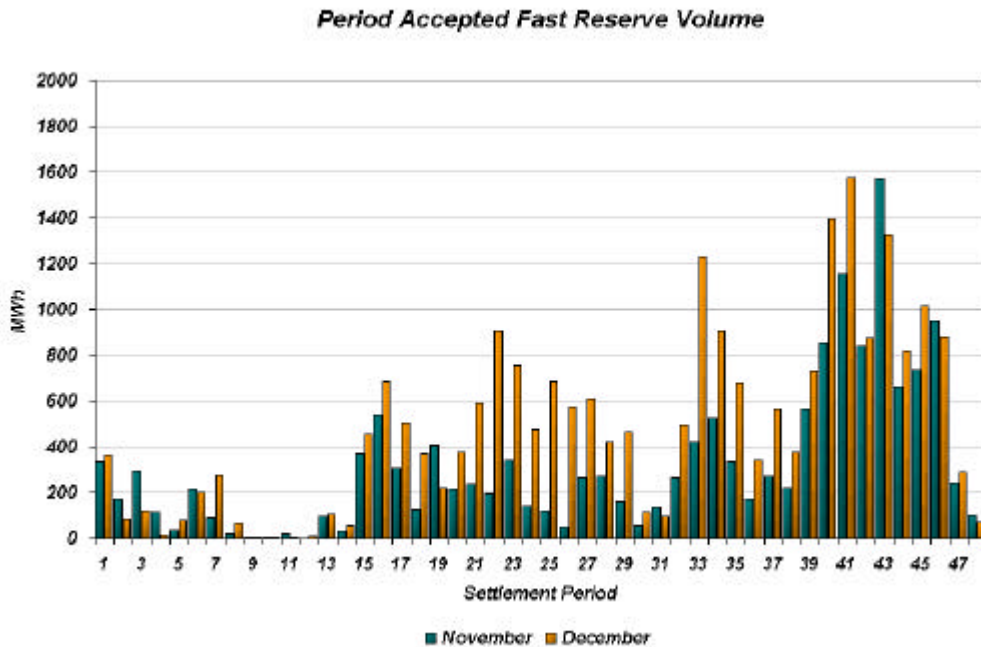


Figure 3

Figure 4 re-presents the same historical data, as an average utilisation price per Settlement Period for each month.

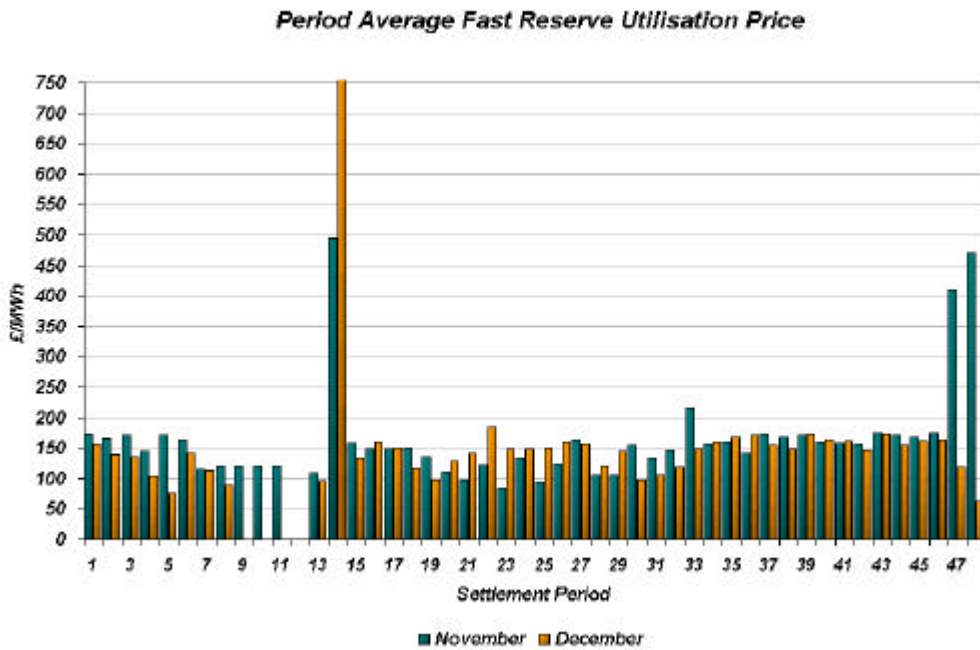


Figure 4

Finally, the same data is used in figure 5, below, to show the profile of total Fast Reserve utilisation expenditure per Settlement Period for each month.

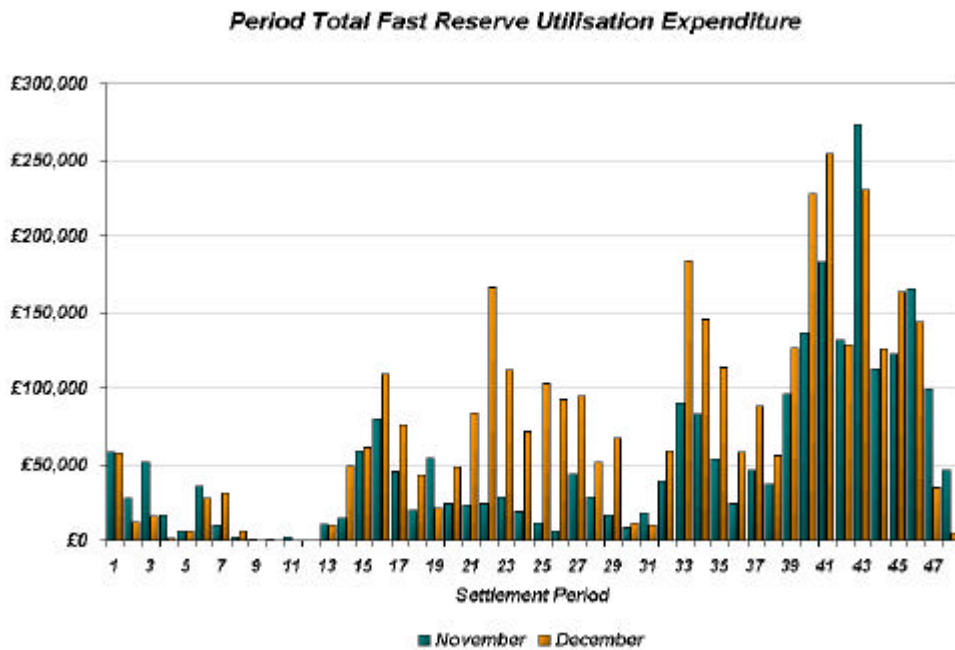


Figure 5

The total volumes of Fast Reserve utilisation of **15.23GWh** for November and **23.25GWh** for December break down into price bands as follows:

November	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 99999	30	2,500	0.07
	1000 to 2000	0	n/a	n/a
	300 to 1000	150	433	0.06
	0 to 300	14,723	148	2.18
<b>Total</b>		<b>14.9GWh</b>		<b>£2.32m</b>
BIDS	0 to 300	-20	103	0.00
	-300 to 0	-91	-162	0.01
	-1000 to -300	-196	-523	0.10
	-2000 to -1000	0	n/a	n/a
	-99999 to -2000	-19	-2,500	0.05
<b>Total</b>		<b>-0.32GWh</b>		<b>£0.16m</b>
<b>Total</b>		<b>15.23GWh</b>		<b>£2.48m</b>

December	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 99999	18	2,500	0.04
	1000 to 2000	0	n/a	n/a
	300 to 1000	270	401	0.11
	0 to 300	21,814	155	3.39
<b>Total</b>		<b>22.1GWh</b>		<b>£3.54m</b>
BIDS	0 to 300	-908	38	-0.03
	-300 to 0	-126	-180	0.02
	-1000 to -300	-112	-421	0.05
	-2000 to -1000	0	n/a	n/a
	-99999 to -2000	0	n/a	n/a
<b>Total</b>		<b>-1.15GWh</b>		<b>£0.04m</b>
<b>Total</b>		<b>23.25GWh</b>		<b>£3.57m</b>

The above charts and tables show that from November to December overall Fast Reserve utilisation increased by **~50%**, leading to **~40%** increase in costs.

For February 2006 the demand shape will continue as a winter profile. This will differ from historic profiles due to the additional 10% demand created by the introduction of the Scottish system through the BETTA. Fast Reserve utilisation patterns for February 2006 are therefore expected to be similar to those seen in December 2005, or show a ~ 10% increase above February 2005.

For the month of **February** tenders from eligible Service Providers for firm Fast Reserve should be submitted to National Grid by Monday 16<sup>th</sup> January 2005. National Grid will notify Service Providers of the outcome of the tender assessment by Monday 23<sup>rd</sup> January 2005.

Tenders should be sent for the attention of:

Bea Ennim  
Operations & Trading  
National Grid plc  
NG House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

Tenders can be sent by fax to Bea Ennim on 01926 656612.