

## Fast Reserve

### Market Information for Tenders for January 2003

National Grid publish the following information, in order to inform participants in the Fast Reserve tender round for January 2003.

#### Fast Reserve Availability

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

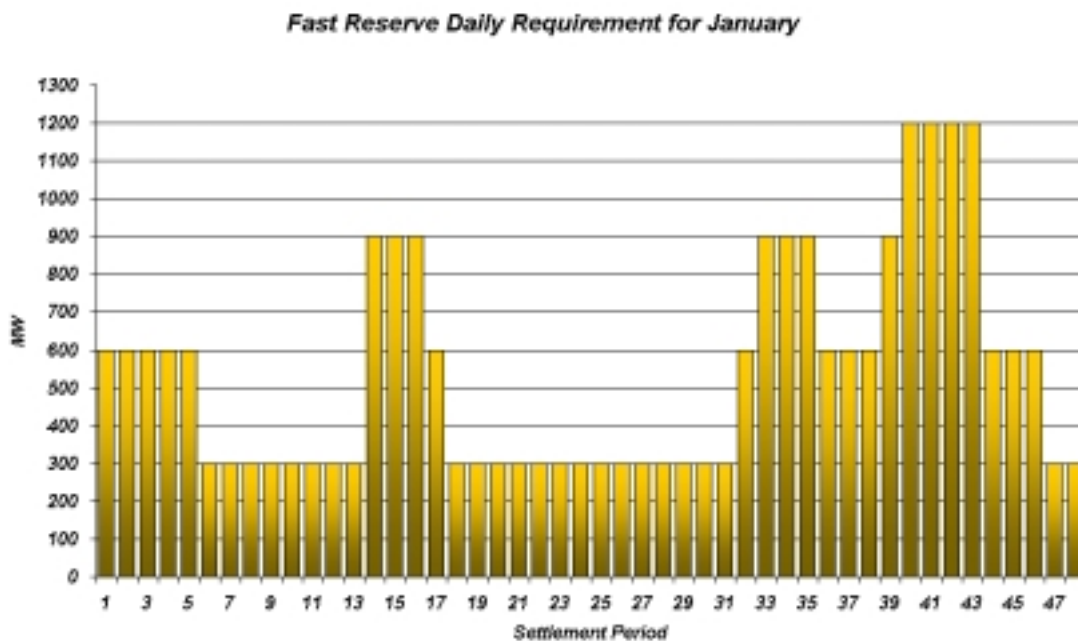


Figure 1

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 (1<sup>st</sup> – 31<sup>st</sup> October 2002) and November (1<sup>st</sup> – 30<sup>th</sup> November 2002). This information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve in the BM.

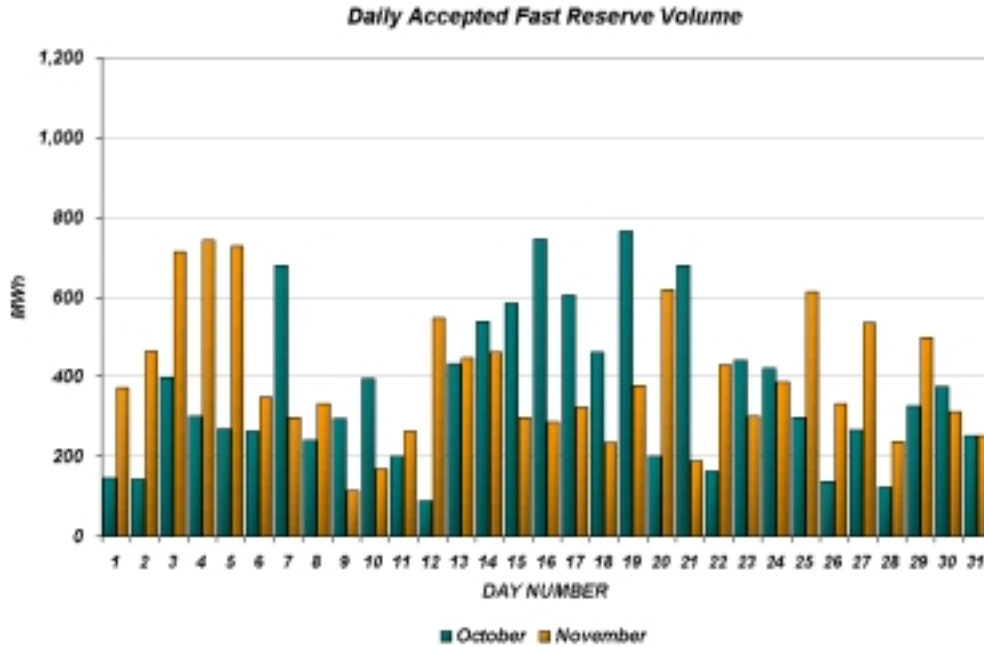


Figure 2

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.

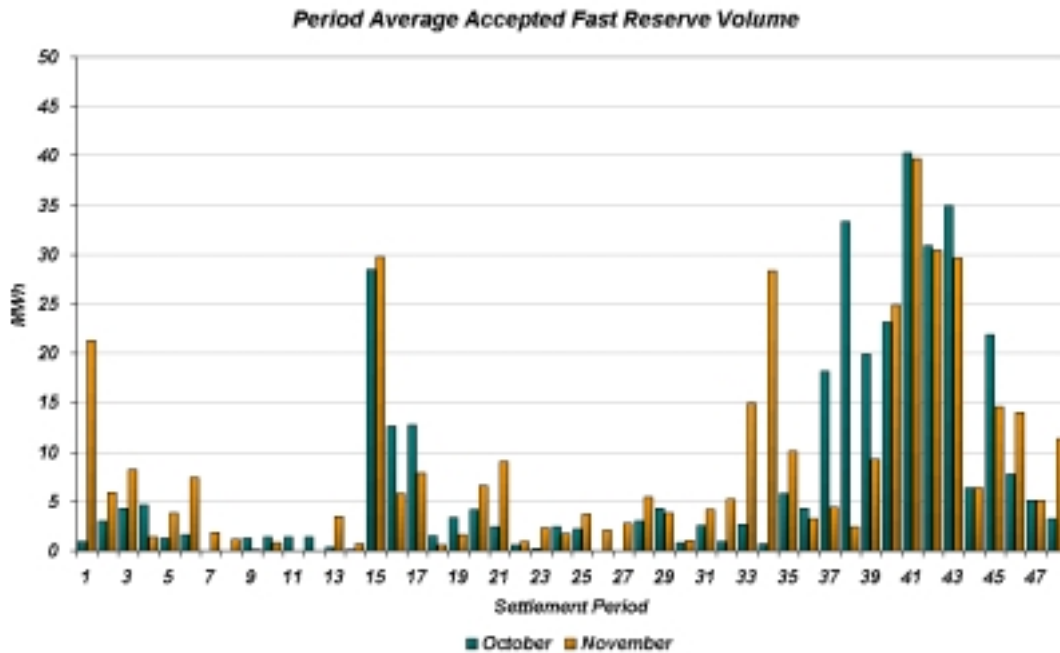


Figure 3

The total volumes of Fast Reserve utilisation of **11.2 GWh** for October and **12.0 GWh** for November break down into price bands as follows:

OCTOBER	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	365	426	0.16
	0 to 300	10,116	133	1.34
<b>Total</b>		<b>10.5 GWh</b>		<b>£1.5 m</b>
<b>BIDS</b>	0 to 300	-524	6	0.00
	-300 to 0	-116	-207	0.02
	-1000 to -300	-111	-474	0.05
	-2000 to -1000	0	n/a	n/a
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-0.8 GWh</b>		<b>£0.1 m</b>
<b>Total</b>		<b>11.2 GWh</b>		<b>£1.6 m</b>

NOVEMBER	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	199	465	0.09
	0 to 300	10,688	142	1.52
<b>Total</b>		<b>10.9 GWh</b>		<b>£1.6 m</b>
<b>BIDS</b>	0 to 300	-199	10	0.00
	-300 to 0	-797	-53	0.04
	-1000 to -300	-95	-549	0.05
	-2000 to -1000	0	n/a	n/a
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-1.1 GWh</b>		<b>£0.1 m</b>
<b>Total</b>		<b>12.0 GWh</b>		<b>£1.7 m</b>

The above charts and tables show that from October to November Fast Reserve utilisation increased by ~7%. Overall Fast Reserve spend rose to £1.7m for November, an 8% rise from October.

For the January demand shape, winter demand characteristics continue to prevail. As such Fast Reserve utilisation levels are expected to remain stable or rise by <15% from November 2002 to January 2003.

For the month of **January 2003**, tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid by close of business on Friday 13<sup>th</sup> December. National Grid will notify Service Providers of the outcome of the tender assessment by Friday 20<sup>th</sup> December.