

Fast Reserve

Market Information for Tenders for May 2002

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

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.

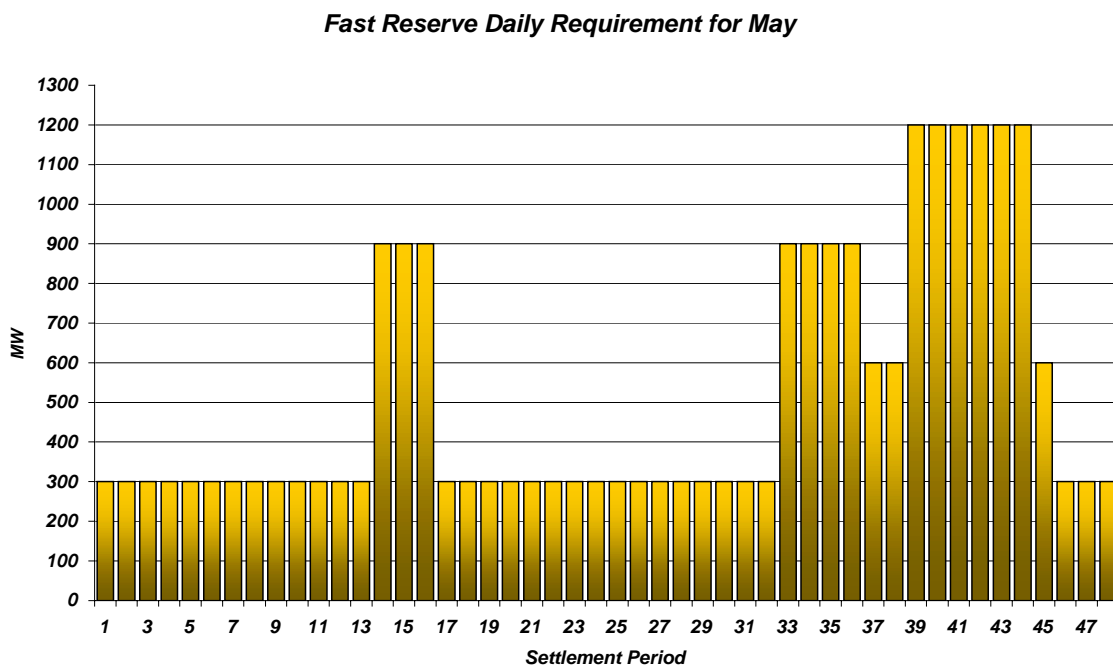


Figure 1

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 during February (1st - 28th February 2002) and March (1st - 31st March 2002). This information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve in the BM.

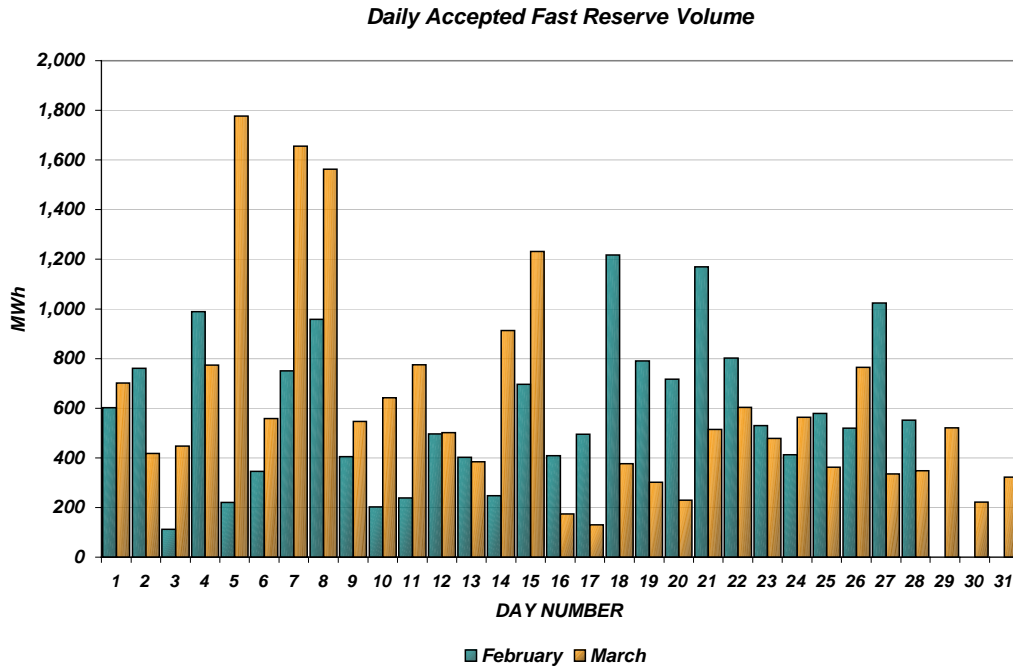


Figure 2

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.

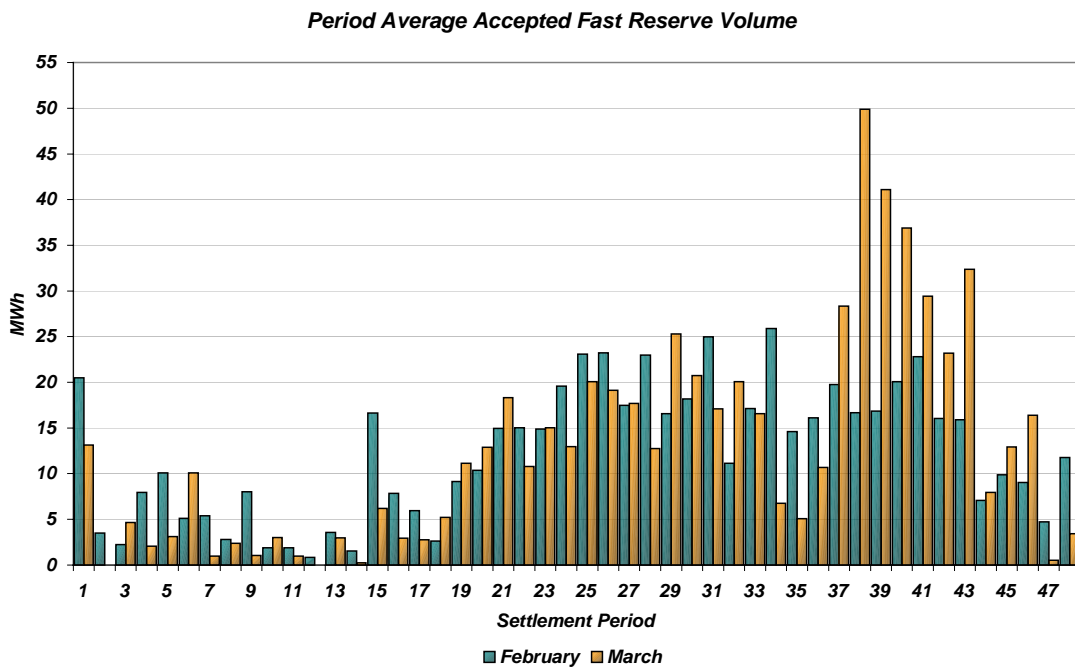


Figure 3

The total volumes of Fast Reserve utilisation of **16.9 GWh** for February and **19.2 GWh** for March break down into price bands as follows:

FEB	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0.0	n/a	n/a
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	469.5	409.6	0.19
	0 to 300	7,578.6	116.8	0.89
Total		8.0 GWh		£1.1 m
BIDS	0 to 300	-7,678.0	10.2	-0.08
	-300 to 0	-888.0	-112.4	0.10
	-1000 to -300	-287.0	-497.9	0.14
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
Total		-8.9 GWh		£0.2 m
Total		16.9 GWh		£1.2 m

MAR	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0.0	n/a	n/a
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	12.5	446.0	0.01
	0 to 300	13,108.2	103.4	1.36
Total		13.1 GWh		£1.4 m
BIDS	0 to 300	-5,322.0	12.8	-0.07
	-300 to 0	-690.0	-31.7	0.02
	-1000 to -300	-75.0	-509.0	0.04
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
Total		-6.1 GWh		£0.0 m
Total		19.2 GWh		£1.4 m

These charts and tables show that from February to March Fast Reserve utilisation cost increased by 8.9% and the volume utilised increased by 13.6%.

Please note that this analysis now *includes* the utilisation of firm Fast Reserve from successful Fast Reserve tenders in these months.

By May, the demand shape has nearly settled to summer levels and the 1A overnight heating peak is disappearing. Accordingly, we expect Fast Reserve utilisation and value to decline to the levels observed by the end of last summer.

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 Monday 15th April. National Grid will notify Service Providers of the outcome of the tender assessment by Monday 22nd April.