

Fast Reserve

Market Information for Tenders for April 2002

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

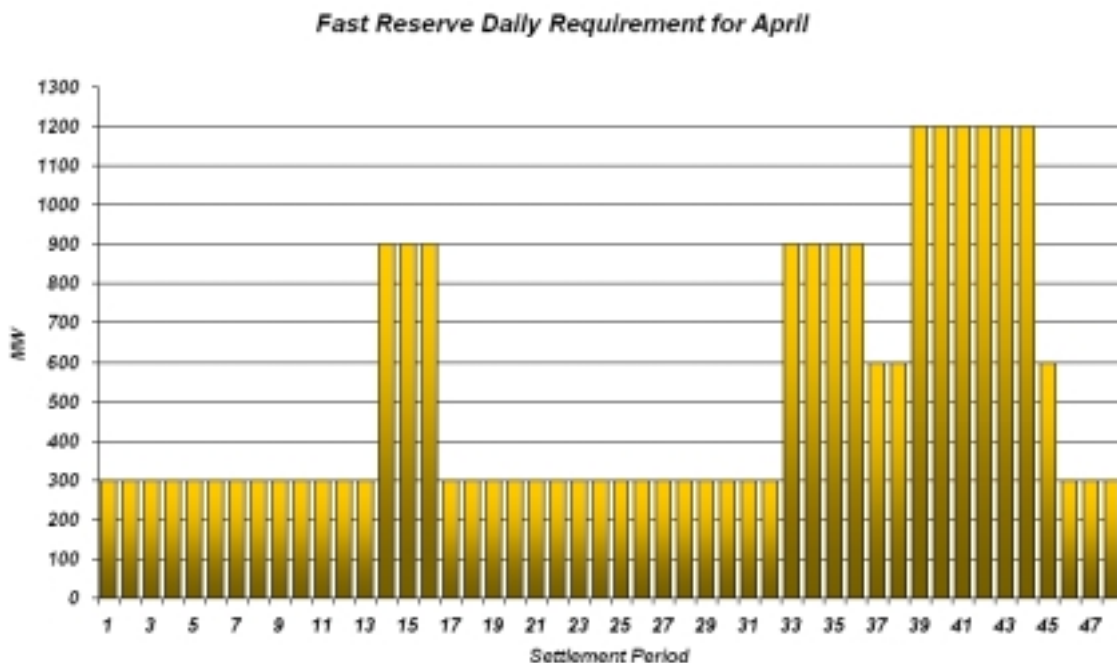


Figure 1

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

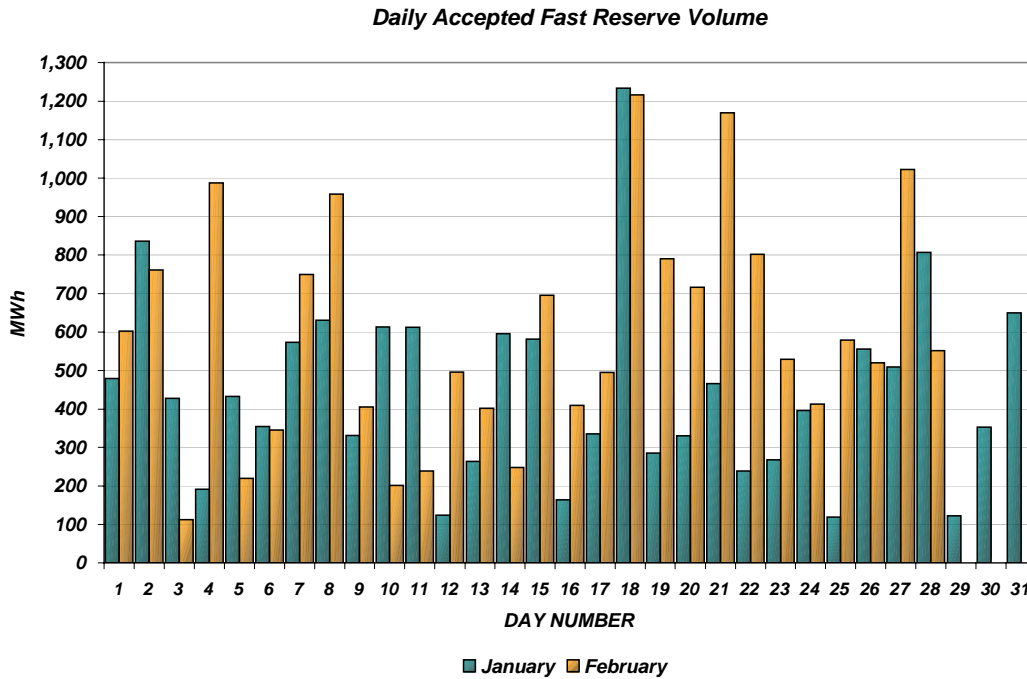


Figure 2

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.

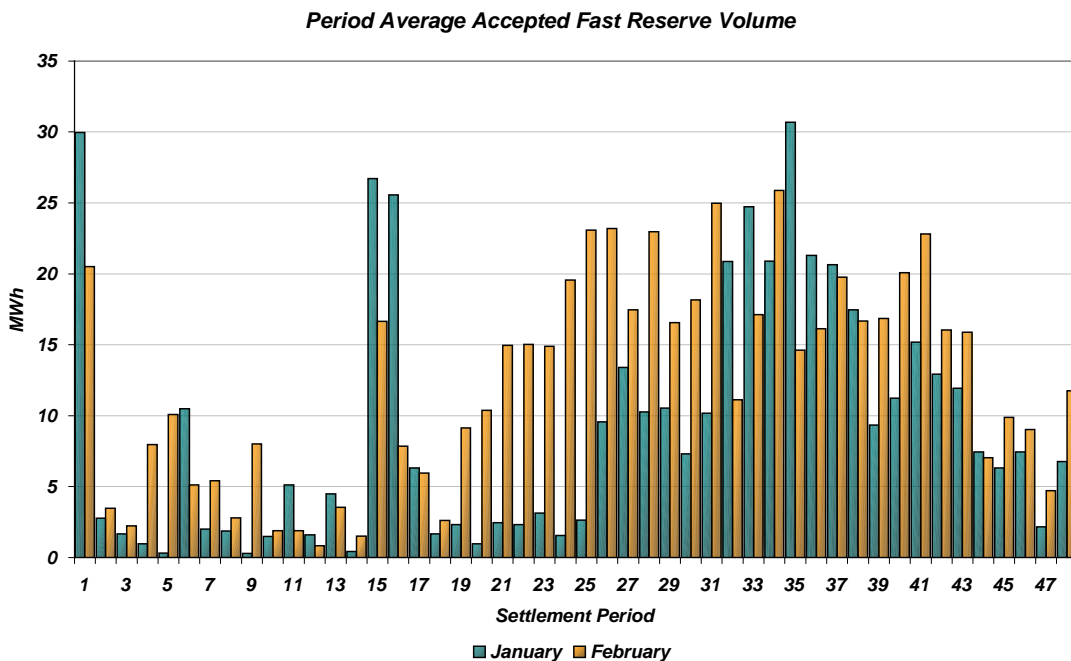


Figure 3

The total volumes of Fast Reserve utilisation of **13.9 GWh** for January and **16.9 GWh** for February break down into price bands as follows:

JAN	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	28.3	4,955.9	0.14
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	1,032.3	354.6	0.37
	0 to 300	9,217.3	153.2	1.41
Total		10.3 GWh		£1.9 m
BIDS	0 to 300	-2,680.0	13.5	-0.04
	-300 to 0	-464.0	-212.9	0.10
	-1000 to -300	-461.0	-508.2	0.23
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
Total		-3.6 GWh		£0.3 m
Total		13.9 GWh		£2.2 m

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

These charts and tables show that from January to February Fast Reserve utilisation cost decreased by 43.9% while the volume utilised increased by 21.7%.

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

April is a difficult month for demand forecasting because the weather has not yet settled to summer levels and the 1A overnight heating is still present. Accordingly we expect Fast Reserve utilisation in April to be similar to March i.e. nearer typical winter than typical summer levels.

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