

Transmission Operational Forum Update

June 2010

Reactive Power Tender Round 26 Timetable

Following the approval of CAP173, we would like to highlight the key dates for the 26th Reactive Power Tender Round timetable which has been condensed to be comparable with other ancillary services.

- **18th June** - Invitation to tender pack available on National Grid website
- **23rd July** - Market day
- **27th August** - Tenderers notified of outcome
- **17th September** - Contracts signed
- **1st October** - Contract commences
- **2th November** - Market report published

For more information please contact your Balancing Services Account Manager or visit our website at:-

<http://www.nationalgrid.com/uk/Electricity/Balancing/services/ReactivePower/markettender/>

Coming Up - Winter Outlook Consultation

We intend to publish the 2010/11 Winter Outlook Consultation Report on our website during the week of 28th June. It will be published on our website at the following link

<http://www.nationalgrid.com/uk/Electricity/SYS/outlook/>

and responses will be invited over the summer.

Improvements to the publication of System Operator to System Operator Service Information on the BMRS

We are working with Elexon on delivering Change Proposal 1333 which will offer some immediate improvements to the transparency to the market of system operator to system operator prices information on the Balancing Mechanism Report Service (BMRS) compared with the current arrangements. We have developed a solution that offers a framework for ensuring transparency of key service parameters for new interconnectors and new services.

More information on the change can be found on the Elexon website at the following link.

http://www.elexon.co.uk/changeimplementation/findachange/proposal_details.aspx?proposalid=872

The enduring Cross Boarder Balancing (CBB) Project will be delivered in November and we will be providing further detail on this Project at the October Operational Forum.

Developments to the Monthly Balancing Services Summary (MBSS)

We are enhancing our monthly balancing services reporting to provide the industry with additional information on our performance against our Balancing Services Incentive Scheme (BSIS).

From April 2010 the MBSS will include additional information setting out how we are performing against the agreed forecast for Incentivised Balancing Cost (IBC) and its component parts (such as constraints and frequency response). It will also set out the expected impact of the two automatic adjusters to the IBC target, which cater for uncertainty in the level of Scottish generation connecting within 2010/11 and the flows across the England-France Interconnector during a key transmission outage in the Thames estuary (both of which will contribute to constraint volumes).

If you have any comments or questions regarding the addition of information on our performance against BSIS in the MBSS, please forward them to soincentives@uk.ngrid.com. We are keen to ensure that our reporting continues to be of relevance to the industry, so if you think there is benefit in reporting additional information, please let us know.

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Who's Who

There have been a number of changes to our teams at National Grid and some of the faces you see at the Operational Forum may change. To help you put names to faces here is a run down of some of the recent moves.



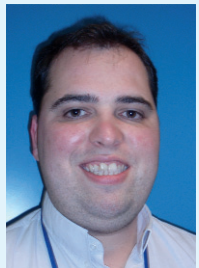
Jo Faulkner



Stuart Bailey



Roisin Quinn



Guilherme Susteras

Balancing Services

Jo Faulkner has returned to her role as Balancing Services Manager after being on maternity leave.

After taking care of the Balancing Services team in Jo's absence Stuart Bailey will be moving on to manage the Gas Incentives and Strategy Team.

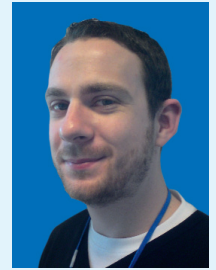
Within the Balancing Services Team Roisin Quinn has moved from Future Requirements Manager to Trading and Assessment Manager. Guilherme Susteras has become our new Future Requirements Manager.



Nigel Fox



Hannah Morgan



Chris Cortopassi



Neil Rowley



Graham Hathaway

Contracts and Settlements

Nigel Fox has become a permanent fixture as the Contract and Settlement Manager.

Within the Contracts and Settlements team Nolan Robertson has become Settlement Manager.

Hannah Morgan is leaving the Contracts Team on maternity leave at the beginning of July.

Three new Account Managers are joining the Contracts team namely Chris Cortopassi leading on Gas Operating Margin, Neil Rowley leading on Reactive Power provision and Graham Hathaway leading on Europe and Interconnection.

Transmission Operational Forum 10:00am, Tuesday 15th June 2010 Hilton Hotel, Warwick Agenda

- Carbon Capture and Storage
- Operational Update
- Constraint Management
- STOR Assessment Principles
- Future Reserve Review and Demand Side Developments
- Future Frequency Response Provision

Jim Ward
Stuart Bailey
Katharine Clench
Roisin Quinn
Mark Duffield
Tom Ireland