

# Fast Reserve

## Market Information for Tenders for March 2004

National Grid Transco publishes this information in order to inform potential participants for the Fast Reserve tender round for March 2004.

### Fast Reserve Availability

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

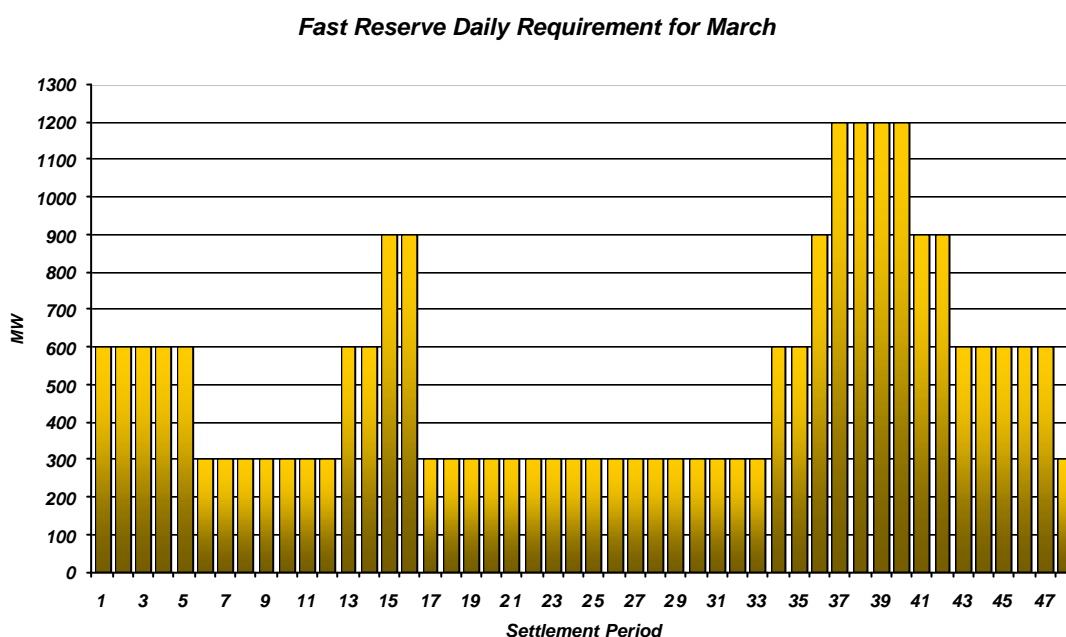


Figure 1

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 and elsewhere during December (1<sup>st</sup> – 31<sup>st</sup> December 2003) and January (1<sup>st</sup> – 31<sup>st</sup> January 2004). The BM information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve.

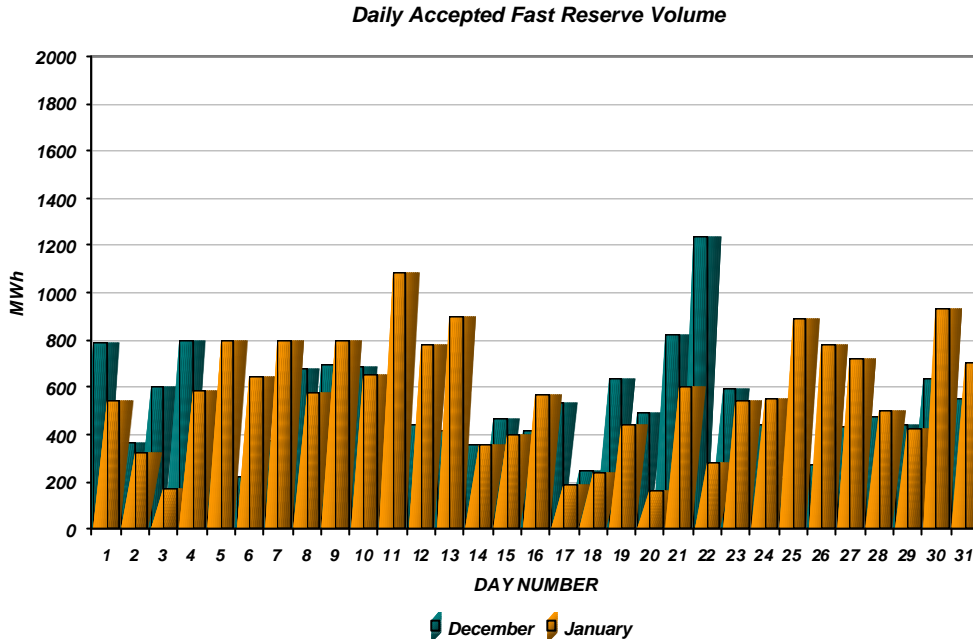


Figure 2

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.

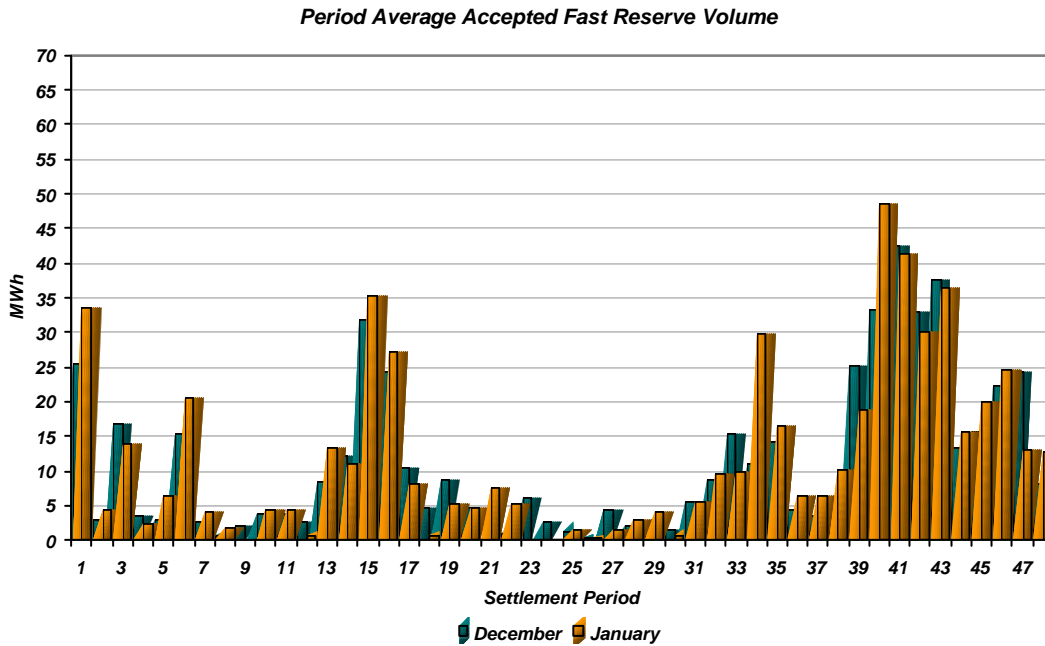


Figure 3

The total volumes of Fast Reserve utilisation of **16.4 GWh** for December and **18 GWh** for January break down into price bands as follows:

December	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0	n/a	n/a
	1000 to 2000	10	1,500	0.01
	300 to 1000	63	371	0.02
	0 to 300	15,795	130	2.05
<b>Total</b>		<b>15.9 GWh</b>		<b>£2.09 m</b>
BIDS	0 to 300	0	n/a	n/a
	-300 to 0	-488	-66	0.03
	-1000 to -300	-60	-600	0.04
	-2000 to -1000	-26	-1,350	0.03
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-0.6 GWh</b>		<b>£0.10 m</b>
<b>Total</b>		<b>16.4 GWh</b>		<b>£2.19 m</b>

January	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0	n/a	n/a
	1000 to 2000	11	1,600	0.02
	300 to 1000	27	517	0.01
	0 to 300	17,278	128	2.21
<b>Total</b>		<b>17.3 GWh</b>		<b>£2.24 m</b>
BIDS	0 to 300	0	n/a	n/a
	-300 to 0	-504	-78	0.04
	-1000 to -300	-124	-482	0.06
	-2000 to -1000	-24	-1,500	0.04
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-0.7 GWh</b>		<b>£0.14 m</b>
<b>Total</b>		<b>18.0 GWh</b>		<b>£2.38 m</b>

The above charts and tables show that from December to January overall Fast Reserve spend rose by ~9%. December was lower due to the seasonal period.

For March, the demand shape will start to move away from winter characteristics. Fast Reserve utilisation patterns for March are expected to be similar to those seen in February/March 2003. Overall Fast Reserve utilisation is forecast to outturn similar to March 2003.

For the month of **March**, 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> February 2004. National Grid Transco will notify Service Providers of the outcome of the tender assessment by Friday 20<sup>th</sup> February 2004.

Tenders should be sent for the attention of:

Hannah Morgan  
Operations & Trading  
National Grid Transco plc  
NGT House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

Tenders can be sent by fax to Hannah Morgan on 01926 656612.