

# Fast Reserve

## Market Information for Tenders for August 2003

National Grid publishes this information, in order to inform potential participants for the Fast Reserve tender round for August 2003.

### Fast Reserve Availability

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

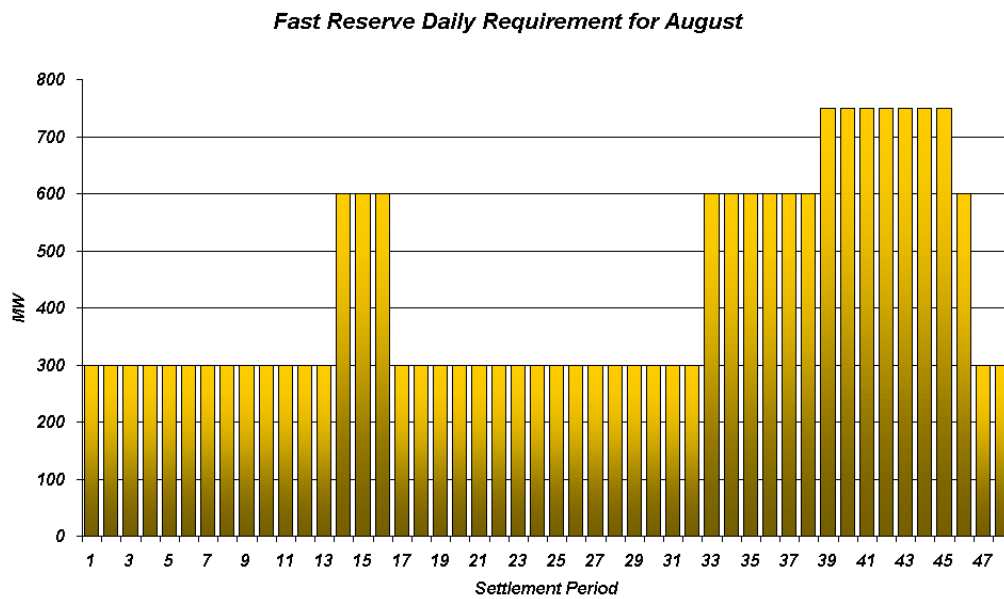


Figure 1

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 May (1<sup>st</sup> – 31<sup>st</sup> May 2003) and June (1<sup>st</sup> – 30<sup>th</sup> June 2003). This information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve in the BM.

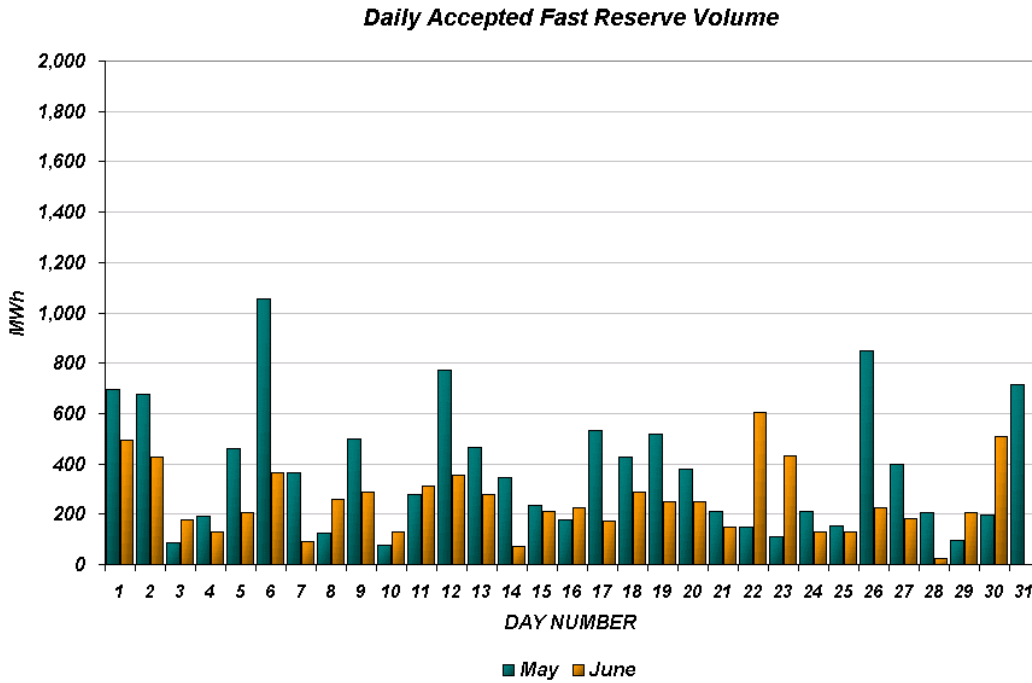


Figure 2

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.

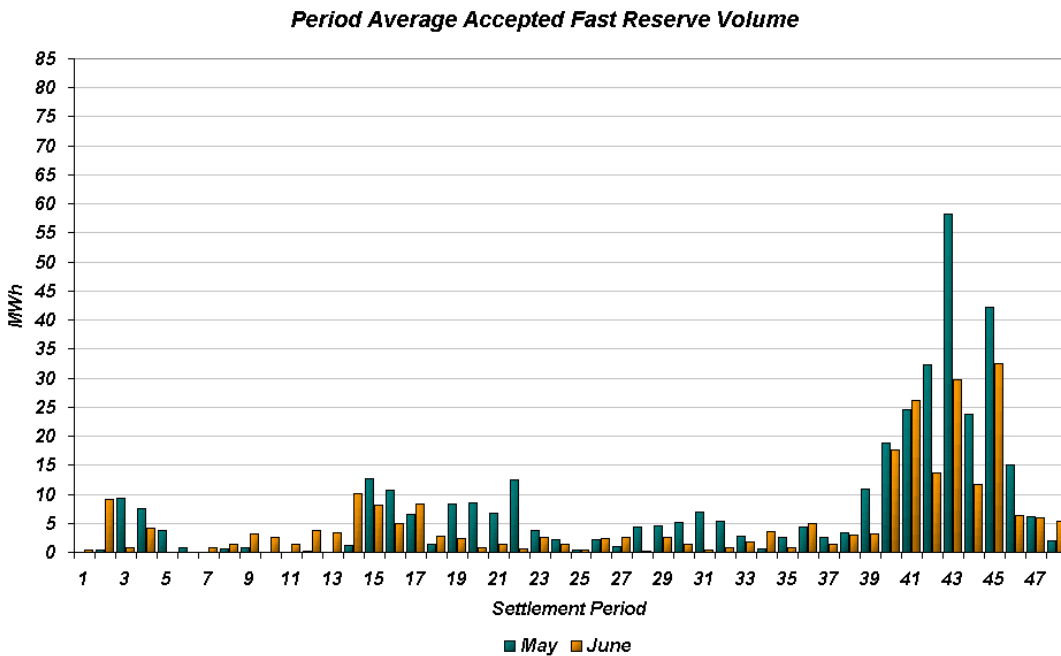


Figure 3

The total volumes of Fast Reserve utilisation of **11.7 GWh** for May and **7.6 GWh** for June break down into price bands as follows:

May	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0	n/a	n/a
	1000 to 2000	0	n/a	n/a
	300 to 1000	278	469	0.13
	0 to 300	11,147	124	1.38
<b>Total</b>		<b>11.4 GWh</b>		<b>£1.5 m</b>
BIDS	0 to 300	0	n/a	n/a
	-300 to 0	-156	-69	0.01
	-1000 to -300	-77	-300	0.02
	-2000 to -1000	0	n/a	n/a
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-0.2 GWh</b>		<b>£0.0 m</b>
<b>Total</b>		<b>11.7 GWh</b>		<b>£1.5 m</b>

June	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0	n/a	n/a
	1000 to 2000	18	1,000	0.02
	300 to 1000	134	533	0.07
	0 to 300	7,321	120	0.88
<b>Total</b>		<b>7.5 GWh</b>		<b>£1.0 m</b>
BIDS	0 to 300	0	n/a	n/a
	-300 to 0	-5	-123	0.00
	-1000 to -300	-121	-565	0.07
	-2000 to -1000	0	n/a	n/a
	-10000 to -2000	0	n/a	n/a
<b>Total</b>		<b>-0.1 GWh</b>		<b>£0.1 m</b>
<b>Total</b>		<b>7.6 GWh</b>		<b>£1.0 m</b>

The above charts and tables show that from May to June overall Fast Reserve spend fell as a result of lower utilisation and also lower average prices.

For August, the demand shape follows a summer trend. As such Fast Reserve utilisation patterns for August are expected to be similar to those seen in July/August 2002. A slight drop in overall Fast Reserve utilisation is forecast for August 2003 from levels seen in June 2003.

For the month of **August**, tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid by close of business on Monday 14<sup>th</sup> July 2003. National Grid will notify Service Providers of the outcome of the tender assessment by Monday 21<sup>st</sup> July 2003.

Tenders should be sent for the attention of:

Paul Bagg  
Contracts & Trading  
National Grid Company plc  
National Grid House  
Kirby Corner Road  
Coventry  
CV4 8JY

Tenders can be sent by fax to Paul Bagg on 024 7642 3114.