

REACTIVE POWER MARKET

REACTIVE MARKET REPORT

FIFTEENTH TENDER ROUND FOR OBLIGATORY AND ENHANCED REACTIVE POWER SERVICES

**FOR REACTIVE MARKET AGREEMENTS
EFFECTIVE 1 APRIL 2005**

13 May 2005

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

Executive Summary

15th Tender Round

This report describes the 15th Tender Round evaluation process for Reactive Power Market Agreements for service commencement on 1 April 2005. It includes the prices and reactive capability data of the successful tenders. The report also includes metered Mvarh utilisation from all eligible service providers for the period 1 October 2004 to 31 March 2005. Estimates of the reactive contribution of the National Grid Transmission System for the same period are also included.

National Grid evaluated all tenders received against economic purchase and technical performance criteria in accordance with the agreed terms of the market mechanism. On 28 January 2005, tenderers were notified of the results of their respective tenders. The main points are as follows:

- On 19 November 2004 ('Market Day') tenders were received for 58 BM Units over 27 power stations from 14 generating companies.
- Of the 58 Tenders received, all were in respect of the Grid Code Obligatory Reactive Power Service (ORPS).
- No tenders were received for non-BM Units.
- Tenders received were for duration of 12 or 18 months.
- Tenders were submitted by portfolio and independent generating companies.
- Of the 54 tenders evaluated (one generating company withdrew 4 tenders for 2 power stations before evaluation), National Grid offered Reactive Power Market Agreements to 29, of which 25 proceeded to contract.
- As at 1 April 2005 there were a total of 51 BM Units from a possible 179 with Reactive Power Market Agreements (25 from this Tender Round and 26 from earlier Tender Rounds). Any BM Unit on a Reactive Power Market Agreement that commenced 1 April 2005 cannot be tendered again until Tender Round 17 (for agreements commencing 1 April 2006) at the earliest, due to the 12 month minimum agreement duration.

16th Tender Round

The next 'Market Day' for receipt of tenders for Reactive Power Market Agreements commencing on 1 October 2005, is Friday 20 May 2005. Invitation to Tender (ITT) Documentation for this Tender Round 16 has been available on the National Grid Industry Information website since 18 March 2005.

Contents

1.	Introduction.....	5
2.	Tender Process.....	6
3.	Tenders Submitted.....	7
4.	Tender Assessment.....	7
5.	Tender Observations	8
6.	Assessment Results	9
7.	Comparisons with Previous Tender Rounds.....	11
8.	Generating Unit Reactive Mvarh Utilisation.....	14
9.	Estimates of the Reactive Contribution of the National Grid Transmission System for October 2004 to March 2005	15
10.	Exceptional Reactive Power Requirements.....	17
	Appendices.....	18
	Appendix 1 - Comparisons with previous Tender Rounds	19
	Appendix 2 - BM Units contractual position as at 1 April 2005.....	21
	Appendix 3 - Reactive Market Agreement status at 1 April 2005	25
	Appendix 4 - Successful tender details for contracts commencing 1 April 2005	27
	Appendix 5 - Generation Utilisation Volumes by BM Unit - October 2004 - March 2005.....	34
	Appendix 6 - Tender Assessment Procedure.....	40
	Appendix 7 - Geographic Distribution between Default Payment Mechanism and Market Contracts	44
	Appendix 8 - Contact Information.....	48

1. Introduction

- 1.1 This market report provides information on the results from the assessment process carried out for Reactive Power Tender Round 15 (for contracts that commenced 1 April 2005). This includes details on the contractual position for the provision of Reactive Power Services to the GB Transmission System as at 1 April 2005.
- 1.2 National Grid manages the voltage of the GB supergrid system, to meet Transmission Licence requirements for secure and stable power transmission and to ensure quality of supply to customers. Voltages are largely determined by the flows of Reactive Power on the system. National Grid ensures that Reactive Power is provided on a local basis to meet the constantly varying needs of the system and that there are sufficient Reactive Power reserves available to meet contingencies.
- 1.3 Generating Units provide Reactive Power Capability, and are capable of varying their Reactive Power output as a requirement of the Grid Code. The power system itself has inherent Reactive Power gains and losses, which vary in accordance with changes in real power flows and voltage. National Grid installs reactive compensation plant in parts of the system where there is insufficient generator reactive capability to meet licence requirements, and where voltages cannot be regulated effectively or economically by other means.
- 1.4 Dynamic reserves of Reactive Power are essential for system operation. National Grid values capability based Reactive Power Market Agreements as this payment mechanism helps to ensure that the availability of post-fault Reactive Power reserves is maintained.
- 1.5 Tender Round 15 was undertaken to secure such capability based Reactive Power Market Agreements from 1 April 2005. The service definitions, requirements and contract terms may be found in Schedule 3 to the Connection & Use of System Code (CUSC), the Grid Code and the ITT (Invitation to Tender) Documentation. These can be accessed via National Grid's industry website at:
www.nationalgridinfo.co.uk

2. Tender Process

- 2.1 On 19 November 2004, National Grid held the Market Day for the Reactive Power Tender Round 15. This enabled any potential provider that fulfilled the qualification criteria specified in Schedule 3 of the CUSC to tender for a Reactive Power Market Agreement.
- 2.2 Tenderers could elect to choose the term of tenders from a minimum period of 12 months and thereafter in 6-month increments (12, 18, 24, 30, 36 months, etc.).
- 2.3 Tenderers who submitted tenders for periods greater than 12 months were also able to include indexation criteria on the tendered prices to be applied to any period(s) beyond the first 12 months.
- 2.4 Tenderers could tender for either the ORPS and/or the Enhanced Reactive Power Service (ERPS), as defined in Schedule 3 of the CUSC.
- 2.5 Potential tenderers comprised the following:
 - Generators required to provide the minimum Grid Code ORPS and already in receipt of the Default Payment Mechanism, who wished to tender for alternative payment terms for the ORPS.
 - Generators that had a reactive capability in excess of the minimum Grid Code ORPS, known as the "Grid Code plus Enhanced Reactive Power Service".
 - Any other eligible Service Provider able to offer other plant or apparatus which could generate or absorb Reactive Power, known as ERPS. The only requirement was that these Service Providers had to fulfil the market qualification criteria and have been capable of making their capability available for use by National Grid.

3. Tenders Submitted

- 3.1 A total of 58 discrete tender submissions were received, representing 14 generating companies and 27 power stations. All tenders were for BM Units offering the Grid Code ORPS service and were offered with contract duration of 12 or 18 months.
- 3.2 Tenders were received from directly connected power stations, from both portfolio and independent generating. No tenders were received from non-BM providers.
- 3.3 All of the tenders received sought reactive capability based payments in addition to utilisation payments.
- 3.4 All tenders that were evaluated (4 tenders withdrew before evaluation) were compliant with the submission criteria specified in Schedule 3 of the CUSC.

4. Tender Assessment

- 4.1 Tender assessment was carried out in accordance with the evaluation criteria specified in Appendix 6 of Schedule 3 of the CUSC. Details of this are more fully described in Appendix 6 of this report.
- 4.2 This assessment included input from the Reactive Power Capability Index updated from that shown in Appendix A of the Invitation To Tender & Guidance Notes for Completion of Tenders that was included in the ITT Documentation. The purpose of this index is to provide an indication of the Reactive Power requirement in each of the zones defined. These requirements are based on the historic need for Reactive Power in the zones and any planned changes to National Grid's Transmission System (or the generation and demand connected to it) that are likely to affect the zonal reactive requirement.
- 4.3 Tenders were assessed via a process, which considered the following:
 - economics (i.e. cost of market compared with default),
 - the intrinsic capability value of the tendered reactive service (against the alternative of National Grid reactive assets);
 - A number of other criteria, for example how competitive the utilisation price was, and what incentive the Generator was placing on itself to maintain the reactive capability.

Please refer to Appendix 6 in Schedule 3 of the CUSC for full details on the qualification and evaluation criteria.

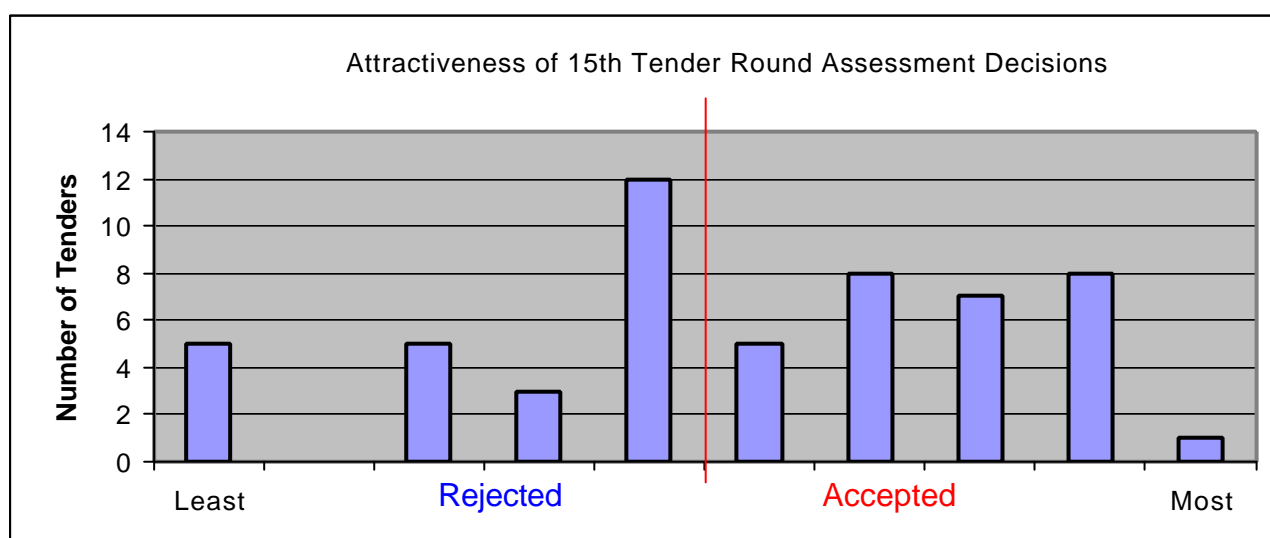
5. Tender Observations

- 5.1 All tenders were seeking capability worth. In contrast to previous Tender Rounds, most generators had made significant increases in both their capability and utilisation prices, presumably in response to experience of the CAP045 changes implemented in April 2004 and their view of forward prices over the tender period. Many tenders contained significant rearrangement of pricing structures for capability across the price bands. Almost all tenders showed substantial increases in utilisation prices, mostly in a range from 25% to 50%. Around a tenth of tenders showed increases in available capability prices of well over 100% whereas a further quarter showed lower increases of over 25%. One tenth of tenders showed reductions in available capability prices but half of these also showed sizeable increases in synchronised capability prices (and thus swinging emphasis from available to synchronised capability). Only a quarter of tenders had non-zero synchronised capability prices and most of these showed substantial price increases.
- 5.2 Generally, the emphasis on available capability continues, with a majority of tenders having zero synchronised capability -prices. However, as noted above, some tenders have shifted their balance towards synchronised capability with a couple moving entirely from available to synchronised capability. Additionally, most of the Scottish tenders had selected synchronised capability. Synchronised capability is more useful to National Grid than available capability, but the valuation of the two differs, dependent on the total time for which the plant is synchronised and when this occurs. National Grid places higher value on tenders with high synchronised capability prices compared with availability prices if the plant tends to run less frequently but at times of high system need. Conversely, National Grid places a lower value on plant with relatively high synchronised prices if the plant is expected to run for a large part of the assessment period, as this is more likely to include significant periods when the capability is not essential to secure system operation.
- 5.3 There were eight tenders, which progressed to the evaluation process, from Scottish generators. Although each tender provided historical metered values, evaluation of these tenders was tempered by uncertainty in the level of eventual Settlement metering.
- 5.4 This Tender Round as with previous ones, has taken into account our views on expected running of generating plant in the energy market. This also included our view on possible plant closures and we continued to factor in our view of the likely decline in coal plant running under emissions trading.
- 5.5 A number of tenderers appeared to be exploring price sensitivities across BM Units (within a station). However, these were different tenderers from previous tender rounds.
- 5.6 No tenders were received for enhanced capability.

6. Assessment Results

- 6.1 Of the 54 tenders evaluated, National Grid offered Reactive Market Agreements to 29 (an acceptance rate of 54%), of which 25 (46%) proceeded to contract.
- 6.2 Tenders were scored against the specified assessment criteria and Figure 1 below shows the attractiveness of tenders from the assessment outcome. The tenders at the “Most” attractive side of Figure 1 were assessed with a positive score indicating they should be offered Market Agreements. Likewise the tenders at the “Least” attractive side of Figure 1 were assessed with a negative score indicating they should not be offered a Market Agreement. The tenders at either end of these measures were considered to be very “attractive” or “unattractive”. Those considered unattractive could, for example, have sought capability payments significantly above expectations of default payments and National Grid’s value of capability.

Figure 1



- 6.3 A complete list of all generator BM Units as at 1 April 2005 obliged under the Grid Code to be capable of providing the ORPS is given in Appendix 2. This list includes a record of which BM Units are on Reactive Power Market Agreements and which are on the Default Payment Mechanism (DPM).
- 6.4 Appendix 3 provides a list of BM Units on Market Agreements applicable as at 1 April 2005 showing when the agreements will terminate.
- 6.5 Appendix 7 shows the geographic distribution of BM Units on market and default agreements.
- 6.6 Details of the 25 successful tenders that proceeded to contract commencing 1 April

2005 are listed in Appendix 4.

7. Comparisons with previous Tender Rounds

7.1 Figure 2 below shows the percentage participation of eligible BM Units for all Tender Rounds since the commencement of the Reactive Power Market. Tender Round 15 includes Scottish participation for the first time and slightly skews the overall trend, however Tender Round 15 (England and Wales only) mirrors Tender Round 13, as for each of them service commencement is at 1 April for the relevant year.

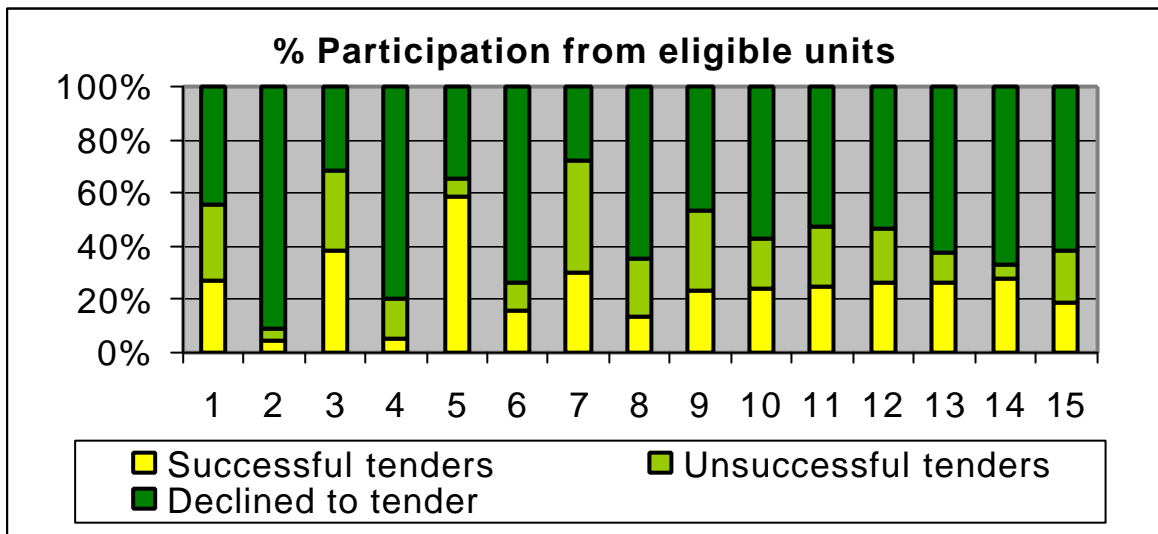


Figure 2 (Source: Appendix 1)

7.2 The acceptance rate of eligible participants in Tender Round 15 redresses the balance of the previous two rounds and realigns to the typical acceptance trend. Figure 3 shows the acceptance rate for all Tender Rounds since the commencement of the Reactive Power Market.

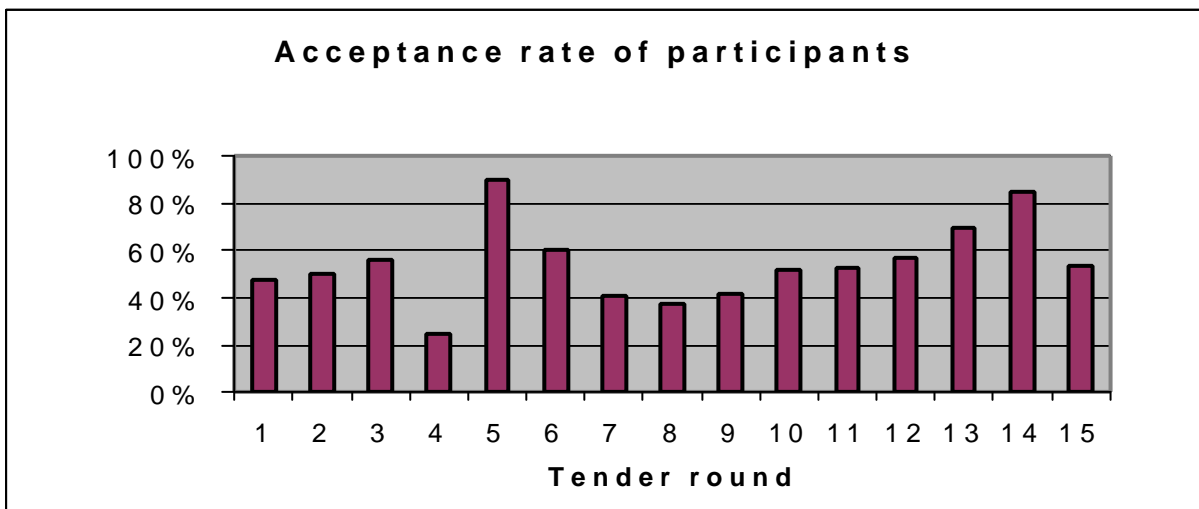
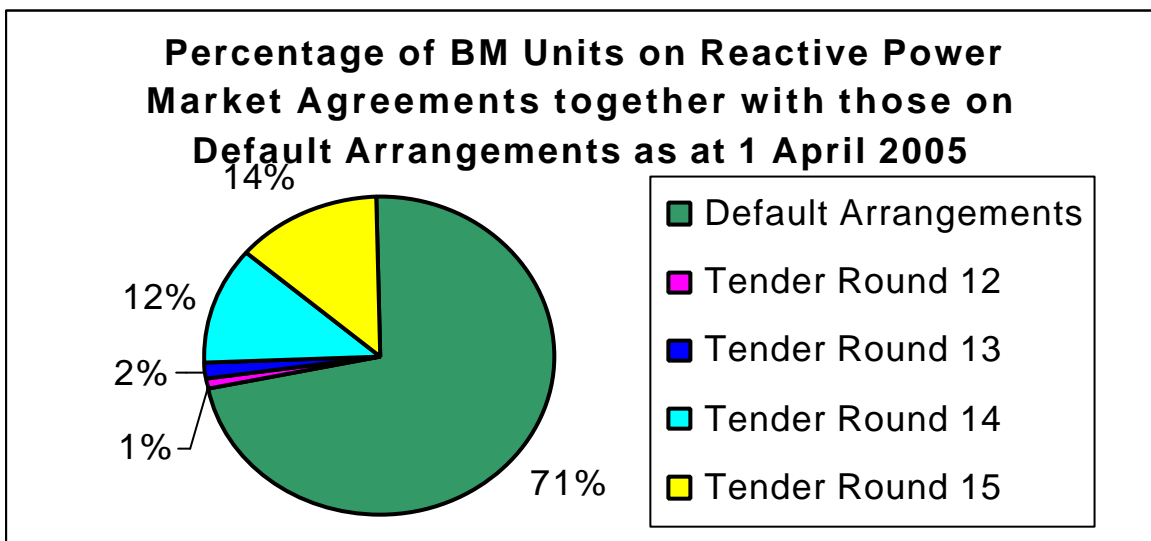


Figure 3 (Source: Appendix 1)

7.3 On 1 April 2005 there are a total of 51 BM Units on Reactive Power Market Agreements with 2 from Tender Round 12, 3 from Tender Round 13, 21 from Tender Round 14, and 25 from this 15th Tender Round. This information is shown in Figure 4 in percentage terms, including comparison with BM Units on default payment arrangements that are eligible to tender for a Market Agreement.

Figure 4 (Source: Appendix 2)



7.4 Figure 5 shows the percentage of eligible BM Units on a Reactive Power Market Agreement as at 1 April 2005 on a regional basis.

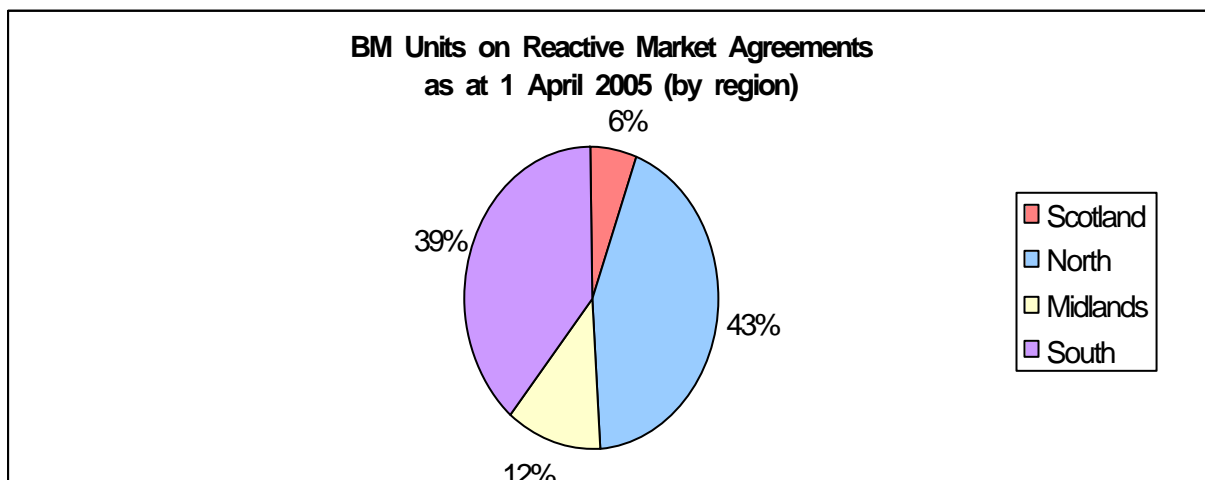


Figure 5 (Source: Appendix 2)

7.5 Figure 6 shows the percentage of total available lagging capability that has been contracted via Reactive Power Market Agreements since the commencement of the Reactive Power Market.

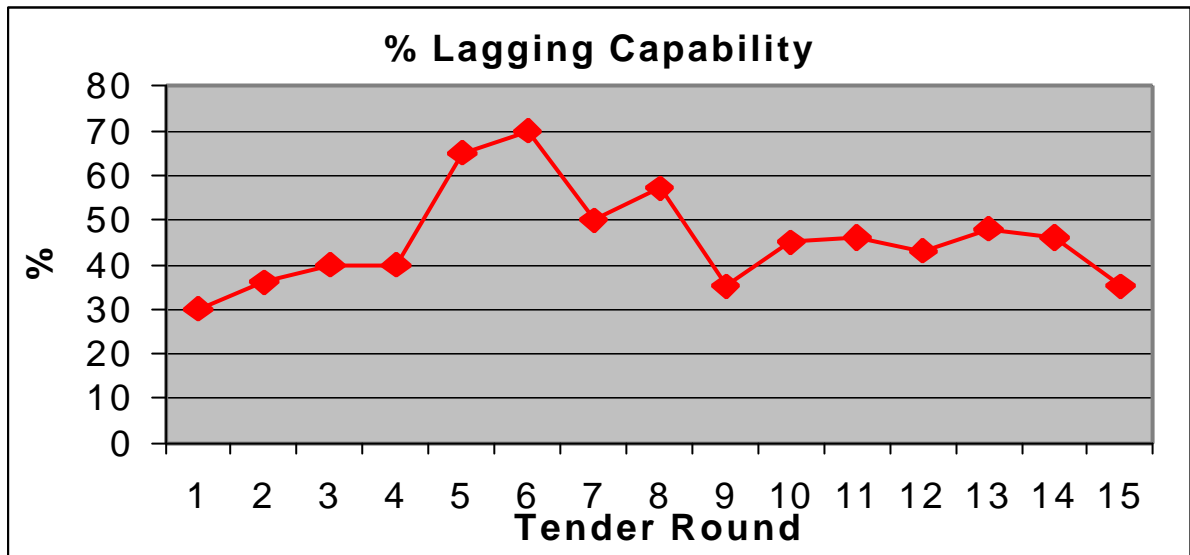


Figure 6 (Source: Appendix 1)

8. Generating Unit Reactive Mvarh Utilisation

- 8.1 This section summarises a six-month breakdown of metered BM Unit Reactive Power utilisation over the period 1 October 2004 to 31 March 2005.
- 8.2 Table 1 shows the Mvarh utilisation volumes (lead plus lag) for all eligible BM Units on a monthly basis. A breakdown by individual BM Unit for the period October 2004 to March 2005 is provided in Appendix 5.

Utilisation Volume (Mvarh)

Month	Default Payment Mechanism	Market Agreements	Total = Market Agreements + DPM
Oct-04	913,265	1,132,967	2,046,232
Nov-04	990,385	1,279,534	2,269,919
Dec-04	1,076,344	1,161,099	2,237,443
Jan-05	1,130,627	1,328,032	2,458,659
Feb-05	972,971	1,266,976	2,239,947
Mar-05	1,049,727	1,186,443	2,236,170
Total	6,133,320	7,355,051	13,488,371

Table 1 - Summary of Generator Reactive utilisation Oct 04 – March 05

- 8.3 Table 2, on the next page, shows six-monthly utilisation totals since 1996, sorted by the Seven Year Statement defined regions - North, Midlands and South.
- 8.4 The volumes set out in Table 2 refer to all BM Units eligible for a Reactive Utilisation Payment (default plus market). Mvarh lag and Mvarh lead are calculated according to the aggregation methodology described within Appendix 2 in Schedule 3 of the CUSC and also within the companion document "Methodology Document for the Aggregation of Reactive Power Metering" by which reactive utilisation payments are made.
- 8.5 The reduction over the last 9 years is attributable to more distributed generation and lower power flows across the system that has resulted in a reduction in reactive losses on the supergrid and hence the reactive utilisation required from generation.

Table 2 – Generator Reactive Utilisation (Tvarh) by region

	NORTH		MIDLANDS		SOUTH		TOTAL		
	lead	lag	lead	lag	lead	lag	Lead	lag	Lead + lag
Apr96 - Sep96	2.86	9.79	0.37	1.94	1.49	2.29	4.72	14.02	18.74
Oct96 - Mar97	2.72	12.71	0.36	3.07	1.74	2.72	4.82	18.50	23.32
Apr97 - Sep97	2.89	8.65	0.41	1.60	1.87	1.77	5.17	12.02	17.19
Oct97 - Mar98	2.78	10.67	0.31	3.07	1.54	2.01	4.63	15.75	20.38
Apr98 - Sep98	1.96	7.68	0.44	2.02	1.85	1.51	4.25	11.20	15.45
Oct98 - Mar99	1.71	9.54	0.36	2.07	1.65	1.66	3.76	13.48	17.24
Apr99 - Sep99	1.77	7.25	0.37	1.52	1.27	1.40	3.40	10.20	13.60
Oct99 – Mar00	1.98	10.45	0.27	2.13	1.35	2.19	3.60	14.77	18.37
Apr00 – Sep00	1.44	6.31	0.48	1.69	1.59	1.32	3.51	9.32	12.83
Oct00 – Mar01	1.52	7.40	0.40	2.72	1.48	1.73	3.40	11.85	15.25
Apr01 – Sep01	1.80	4.59	0.50	1.76	1.94	1.18	4.24	7.53	11.77
Oct01 - Mar02	1.70	5.79	0.58	3.07	1.50	1.78	3.79	10.65	14.44
Apr02 – Sep02	1.59	4.70	0.52	0.95	1.76	1.20	3.87	6.85	10.72
Oct02 – Mar03	1.71	5.73	0.47	2.51	1.53	1.78	3.71	10.02	13.73
Apr03 – Sep03	1.40	3.96	0.56	1.59	1.92	1.36	3.88	6.91	10.79
Oct03 – Mar04	2.28	5.48	0.34	1.89	1.69	2.29	4.31	9.66	13.97
Apr04 – Sep04	2.26	3.97	0.85	1.08	2.16	1.29	5.27	6.34	11.61
Oct04 – Mar05	1.89	5.26	0.66	1.84	1.85	1.99	4.40	9.09	13.49

9. Estimates of the reactive contribution of the National Grid Transmission System for October 2004 to March 2005

9.1 National Grid is required by Schedule 3 of the CUSC to 'use all reasonable endeavours' to provide estimates of the Reactive Power absorption and generation in Mvarh by the National Grid Transmission System for the six-month period ending 31 March 2005.

9.2 This has been approached in two stages:

- The net Reactive Power utilisation (Tvarh) of the National Grid Transmission System has been derived from the difference between the reactive output of generating units and the Net Reactive Demand at Grid Supply Points (GSPs). This is shown in Table 3 where the accuracy of the data is consistent with the underlying meter readings. The generation figures are a national monthly summation of the Settlements figures given in Appendix 5. At this stage, the data in Table 3, on the next page, may be subject to amendment via accruals or any outstanding disputes.
- The net Tvarh described above has been broken down by Transmission System component and is also shown in Table 3. It should be noted that this information is based on estimates and operational records only. The 'net reactive demand at GSP' figures have been derived from operational records. The figures shown are net, i.e. lagging demand minus leading demand, and in the case of the figures in Table 3 they show lagging demand in each month. These figures represent the net effect of the consumer demand plus the LV losses minus the LV gain.

9.3 The simple reactive balance found in Table 3 can be described by the equation:

$$|\text{Generation Net Tvarh}| = |\text{Net Reactive Demand at GSPs Tvarh}| - |\text{Net NGC System Tvarh}|$$

For example, for December 2004, (1.41 - 0.83 = 4.98 - 4.40). From Table 3 it can be seen that the Tvarh contribution from generation is small compared with the other components of the equation.

9.4 The more detailed breakdown found in Table 3 can be described by the following equation:

- Generation Net Tvarh = Net Reactive Demand at GSPs - HV network shunt gain (BV^2) + HV network series loss (I^2X) + SGT series loss (I^2X_t) - Shunt capacitor gain - net SVC output + Shunt reactor loss.

Table 3 - Net National Grid System Effect

Component (Tvarh)	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	6 month total
MSC	1.88	2.00	2.03	2.31	2.25	1.95	12.42
Shunt Reactor	-1.63	-1.53	-1.59	-1.34	-1.14	-1.43	-8.66
SVC generation	0.12	0.13	0.14	0.14	0.14	0.13	0.80
SVC absorption	-0.10	-0.08	-0.10	-0.09	-0.08	-0.09	-0.54
HV network shunt gain	8.39	8.37	8.85	8.92	8.13	8.19	50.85
HV network series losses	-2.18	-2.26	-2.66	-3.25	-2.93	-2.62	-15.90
SGT series losses	-1.85	-2.32	-2.27	-2.35	-2.22	-2.04	-13.05
Net NGC System Utilisation	4.63	4.31	4.40	4.34	4.15	4.09	25.92
Generation Lead	-0.78	-0.74	-0.83	-0.66	-0.63	-0.76	-4.40
Generation Lag	1.26	1.53	1.41	1.80	1.61	1.48	9.09
Net Demand at GSPs	5.11	5.10	4.98	5.48	5.13	4.81	30.61

9.5 Points to note when considering Table 3 include:

- HV gain varies due to circuit switching, outages and system operating voltage
- HV losses are driven by active power flows across the system
- Supergrid transformer series reactive losses are predominantly driven by local distribution company demand
- Switching of MSCs (Mechanically Switched Capacitors), SVCs (Static Var Compensators) and shunt reactors is determined by operational security requirements.

10. Exceptional Reactive Power Requirements

- 10.1 Paragraph 5 in Schedule 3 of the CUSC (Statutory and Regulatory Obligations) enables National Grid to contract outside of the Reactive Power Market tender process in specific circumstances for the provision of exceptional Reactive Power services. National Grid is required to publish details of circumstances surrounding this in the proceeding six-month period. During the period 1 October 2004 to 31 March 2005 no such services were required by National Grid for the provision of voltage support.

Appendices

Reactive Power 15th Tender Round Market Report – 13 May 2005

Appendix 1 - Comparisons with previous Tender Rounds

Tender Round	Tender Round Start date	BM Units able to tender	No. of BM/Non BM Unit tenders Received	ORPS	ORPS + ERPS	12 month duration	>12 months duration	Successful Gensets Offered Market Agreements	Successful Gensets signing Market Agreements	% total Mvar lagging capability with Market Agreements
1	1 Apr 1998	154	85	76	9	85	0	41	41	~30%
2	1 Oct 1998	113	10	10	0	9	1	5	5	~36%
3	1 Apr 1999	150	102	102	0	102	0	75	57	~40%
4	1 Oct 1999	99	20	20	0	14	6	5	5	~40%
5	1 Apr 2000	151	99	98	1	97	2	98	89	~65%
6	1 Oct 2000	58	15	15	0	15	0	9	9	~70%
7	1 Apr 2001	145	104	104	0	104	0	43	43	~50%
8	1 Oct 2001	111	39	39	0	39	0	17	15	~57%
9	1 Apr 2002	138	76	76	0	68	8	32	32	~35%
10	1 Oct 2002	123	52	52	0	48	4	29	27	~45%
11	1 Apr 2003	125	59	59	0	57	2	31	30	~46%
12	1 Oct 2003	121	56	56	0	49	7	32	23	~43%
13	1 Apr 2004	126	46	46	0	41	5	32	32	~48%
14	1 Oct 2004	118	39	38	1	38	1	33	21	~46%

Reactive Power 15th Tender Round Market Report – 13 May 2005

15	1 Apr 2005	153	58	58	0	57	1	29	25	~35%
----	------------	-----	----	----	---	----	---	----	----	------

Appendix 2 - BM Units' contractual position at 1 April 2005

Scotland

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
1	Clachan 1	DPM	10	FIFE_01Z	DPM	19	LOAN_04Z	DPM
2	COCK_01Z	DPM	11	FOYE_01Z	DPM	20	PEHE_01Z	DPM
3	COCK_02Z	DPM	12	FOYE_02Z	DPM	21	PEHE_02Z	DPM
4	COCK_03Z	DPM	13	GRMO_01Z	Market 15	22	PEHE_03Z	DPM
5	COCK_04Z	DPM	14	HUNB_07Z	DPM	23	PEHE_04Z	DPM
6	CRUA_01Z	DPM	15	HUNB_08Z	DPM	24	SLOY_04Z	DPM
7	CRUA_02Z	DPM	16	LOAN_01Z	DPM	25	TORN_01Z	Market 15
8	CRUA_03Z	DPM	17	LOAN_02Z	DPM	26	TORN_02Z	Market 15
9	CRUA_04Z	DPM	18	LOAN_03Z	DPM			

North

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
27	BRGG_01Z	DPM	51	DRAXX10G	DPM	75	HRTL_02Z	DPM
28	CDCL_01Z	Market 14	52	DRAXX12G	DPM	76	HUMR_01Z	DPM
29	CNQPS01Z	Market 15	53	EGGPS01Z	DPM	77	KEAD_01Z	Market 14
30	CNQPS02Z	Market 14	54	EGGPS02Z	DPM	78	KILNS01Z	Market 12
31	CNQPS03Z	DPM	55	EGGPS03Z	DPM	79	KILLP01Z	DPM
32	CNQPS04Z	Market 14	56	EGGPS04Z	DPM	80	KILLP02Z	DPM
33	COTPS01Z	Market 14	57	FELL_01Z	DPM	81	ROCK_01Z	DPM
34	COTPS02Z	Market 14	58	FERR_01Z	DPM	82	ROOS_01Z	DPM
35	COTPS03Z	Market 14	59	FERR_02Z	DPM	83	SCCL_01Z	DPM
36	COTPS04Z	Market 14	60	FERR_03Z	DPM	84	SCCL_02Z	DPM
37	DEEP_01Z	DPM	61	FERR_04Z	DPM	85	SCCL_03Z	DPM
38	DINO_01Z	DPM	62	FFES_01Z	DPM	86	SHBA_01Z	Market 15
39	DINO_02Z	DPM	63	FFES_02Z	DPM	87	SHBA_02Z	Market 15
40	DINO_03Z	DPM	64	FFES_03Z	DPM	88	SHOT_01Z	DPM
41	DINO_04Z	DPM	65	FFES_04Z	DPM	89	TESI_01Z	DPM
42	DINO_05Z	DPM	66	FIDL_01Z	DPM	90	TESI_02Z	DPM
43	DINO_06Z	DPM	67	FIDL_02Z	DPM	91	WBUPS01Z	DPM
44	DRAXX01Z	Market 15	68	FIDL_03Z	DPM	92	WBUPS02Z	DPM
45	DRAXX02Z	Market 15	69	FIDL_04Z	DPM	93	WBUPS03Z	DPM
46	DRAXX03Z	Market 15	70	HEYM101Z	Market 15	94	WBUPS04Z	DPM
47	DRAXX04Z	Market 15	71	HEYM102Z	Market 15	95	WYLF_01Z	DPM
48	DRAXX05Z	Market 15	72	HEYM207Z	Market 15	96	WYLF_02Z	DPM
49	DRAXX06Z	Market 15	73	HEYM208Z	Market 15	97	WYLF_03Z	DPM
50	DRAXX09G	DPM	74	HRTL_01Z	DPM	98	WYLF_04Z	DPM

Midlands

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
99	CORB_01Z	DPM	106	PETEM01Z	DPM	113	RUGPS06G	DPM
100	DERW_01Z	Market 14	107	RATS_01Z	Market 15	114	RUGPS07G	DPM
101	GYAR_01Z	DPM	108	RATS_02Z	DPM	115	SIZB_01Z	DPM
102	IRNPS01Z	Market 13	109	RATS_03Z	Market 14	116	SIZB_02Z	DPM
103	IRNPS02Z	DPM	110	RATS_04Z	Market 14	117	SIZEA01Z	DPM

Reactive Power 15th Tender Round Market Report – 13 May 2005

104	KLYNA01Z	DPM	111	RUGPS06Z	DPM	118	SIZEA02Z	DPM
105	LBAR_01Z	DPM	112	RUGPS07Z	DPM	119	SPLN-1	DPM
						120	SUTB_01Z	Market 14

Reactive Power 15th Tender Round Market Report – 13 May 2005

South

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
121	ABTHB07Z	Market 15	141	DIDC_03G	DPM	161	LITTD02G	DPM
122	ABTHB08Z	Market 14	142	DIDC_04G	DPM	162	LITTD03G	DPM
123	ABTHB09Z	Market 15	143	DNGB_21Z	DPM	163	LITTD01Z	Market 14
124	BAGE_01Z	Market 14 (ERPS)	144	DNGB_22Z	DPM	164	LITTD02Z	Market 14
125	BAGE_02Z	Market 14	145	DUNGA01Z	DPM	165	MEDP_01Z	Market 14
126	BARK_02Z	Market 15	146	DUNGA02Z	DPM	166	OLDS_01Z	DPM
127	BARK_11Z	Market 15	147	DUNGA03Z	DPM	167	OLDS_02Z	DPM
128	BROP_01Z	DPM	148	DUNGA04Z	DPM	168	RYHPS01Z	DPM
129	COSO_01Z	DPM	149	EECL_01Z	DPM	169	SEAB_01Z	Market 14
130	COWE_01Z	DPM	150	FAWL_03Z	Market 15	170	SEAB_02Z	Market 14
131	COWE_02Z	DPM	151	FAWN_01Z	DPM	171	SHOS_01Z	DPM
132	DAMC_01Z	DPM	152	GRAI_01Z	DPM	172	TAYL_02Z	Market 12
133	DIDC_01Z	DPM	153	GRAI_04Z	DPM	173	TAYL_03Z	Market 13
134	DIDC_02Z	DPM	154	HINB_07Z	DPM	174	TILBB08Z	DPM
135	DIDC_03Z	DPM	155	HINB_08Z	DPM	175	TILBB09Z	DPM
136	DIDC_04Z	DPM	156	KINO_01Z	Market 13	176	TILBB10Z	DPM
137	DIDCB05Z	DPM	157	KINO_02Z	DPM	177	USKM_13Z	Market 15
138	DIDCB06Z	DPM	158	KINO_03Z	Market 14	178	USKM_14Z	Market 15
139	DIDC_01G	DPM	159	KINO_04Z	DPM	179	USKM_15Z	Market 15
140	DIDC_02G	DPM	160	LITTD01G	DPM			

Notes :

Market 12 refers to those contracts commencing 1 October 2003.

Market 13 refers to those contracts commencing 1 April 2004.

Market 14 refers to those contracts commencing 1 October 2004.

Market 15 refers to those contracts commencing 1 April 2005.

Eligible BM Units for Market Agreements are those with reactive capability, leading or lagging greater than 15 MVar at the commercial boundary, and the further stipulations stated in CUSC Schedule 3.

There is one contract for Enhanced Capability.

BM Units with MSAs incorporating reactive capability, leading or lagging less than 15

MVar

	BM Unit	Contract		BM Unit	Contract		BM Unit	Contract
1	Beauly – AIGA_01Z	DPM	18	Conon - ORRI_01Z	DPM	34	Killin - LOCH_02Z	DPM
2	Beauly – AIGA_02Z	DPM	19	Conon – TORA_01Z	DPM	35	Killin - LUBR_01Z	DPM
3	Beauly – CULL_02Z	DPM	20	Conon – TORA_02	DPM	36	Moriston - CEAN_01Z	DPM
4	Beauly - DEAN_01Z	DPM	21	ERRO_01Z	DPM	37	Moriston - CEAN_02Z	DPM

Reactive Power 15th Tender Round Market Report – 13 May 2005

5	Beauly - DEAN_02Z	DPM	22	ERRO_02Z	DPM	38	Moriston - GLEN_01Z	DPM
6	Beauly - KIOR_01Z	DPM	23	ERRO_03Z	DPM	39	Moriston - GLEN_02Z	DPM
7	Beauly - KIOR_02Z	DPM	24	FASN_01Z	DPM	40	Moriston - Livishie 1	DPM
8	Black Law	DPM	25	FASN_02Z	DPM	41	NANT_01Z	DPM
9	Clunie - CLUN_01Z	DPM	26	FASN_03Z	DPM	42	Shin 1	DPM
10	Clunie - CLUN_02Z	DPM	27	FINL_01Z	DPM	43	Shin 2	DPM
11	Clunie - CLUN_03Z	DPM	28	Garry - INGA_01Z	DPM	44	SLOY_01Z	DPM
12	Clunie - Pitlochry 1	DPM	29	Garry - QUOI_01Z	DPM	45	SLOY_02Z	DPM
13	Clunie - Pitlochry 2	DPM	30	Grudie Bridge 1	DPM	46	SLOY_03Z	DPM
14	Conon - LUIC_01Z	DPM	31	Grudie Bridge 2	DPM	47	Tongland	DPM
15	Conon - LUIC_02Z	DPM	32	Killin - CASH_01Z	DPM	48	Tummel Bridge 1	DPM
16	Conon - MOSS_01Z	DPM	33	Killin - LOCH_01Z	DPM	49	Tummel Bridge 2	DPM
17	Conon - MOSS_02Z	DPM						

Notes :

Non-eligible BM Units for Market Agreements are those with reactive capability, leading or lagging less than 15 MVAR at the commercial boundary. The BM Units, above, do receive default payments as they have Mandatory Service Agreements.

Appendix 3 - Reactive Market Agreement status at 1 April 2005

Contracts Continuing on 1 April 2005			
	Company	BM Unit ID	Contract Expiry Date
1	Baglan Operations Ltd	BAGE_01Z	30/09/05 (ERPS)
2	Baglan Operations Ltd	BAGE_02Z	30/09/05
3	Derwent Cogeneration Ltd	DERW_01Z	30/09/05
4	E.ON UK plc	CDCL_01Z	30/09/05
5	E.ON UK plc	CONQ_02Z	30/09/05
6	E.ON UK plc	CONQ_04Z	30/09/05
7	E.ON UK plc	IRNPS01Z	30/09/05
8	E.ON UK plc	KINO_01Z	30/09/05
9	E.ON UK plc	KINO_03Z	31/03/06
10	E.ON UK plc	RATS_03Z	30/09/05
11	E.ON UK plc	RATS_04Z	30/09/05
12	E.ON UK plc	TAYL_02Z	30/09/06
13	E.ON UK plc	TAYL_03Z	31/03/07
14	Jade Power Generation Ltd	COTPS01Z	30/09/05
15	Jade Power Generation Ltd	COTPS02Z	30/09/05
16	Jade Power Generation Ltd	COTPS03Z	30/09/05
17	Jade Power Generation Ltd	COTPS04Z	30/09/05
18	Keadby Generation Ltd	KEAD_01Z	30/09/05
19	Killingholme Power Ltd	KILNS01Z	30/09/05
20	Medway Power Ltd	MEDP_01Z	30/09/05
21	RWE Innogy plc	ABTHB08Z	30/09/05
22	RWE Innogy plc	LITTD01Z	30/09/05
23	RWE Innogy plc	LITTD02Z	30/09/05
24	Seabank Power Ltd	SEAB_01Z	30/09/05
25	Seabank Power Ltd	SEAB_02Z	30/09/05
26	Sutton Bridge Power	SUTB_01Z	30/09/05

New Contracts Commencing on 1 April 2005			
	Company	BM Unit ID	Contract Expiry Date
1	Barking Power Ltd	BARK_01Z	31/03/06
2	Barking Power Ltd	BARK_02Z	31/03/06
3	British Energy Generation Ltd	HEYM101Z	31/03/06
4	British Energy Generation Ltd	HEYM102Z	31/03/06
5	British Energy Generation Ltd	HEYM207Z	31/03/06
6	British Energy Generation Ltd	HEYM208Z	31/03/06
7	British Energy Generation Ltd	TORN_01Z	31/03/06
8	British Energy Generation Ltd	TORN_02Z	31/03/06
9	Drax Power Ltd	DRAXX01Z	31/03/06
10	Drax Power Ltd	DRAXX02Z	31/03/06
11	Drax Power Ltd	DRAXX03Z	31/03/06
12	Drax Power Ltd	DRAXX04Z	31/03/06
13	Drax Power Ltd	DRAXX05Z	31/03/06
14	Drax Power Ltd	DRAXX06Z	31/03/06
15	E.ON UK plc	CONQ_01Z	31/03/06
16	E.ON UK plc	RATS_01Z	31/03/06
17	Grangemouth CHP Ltd	GRMO_01Z	31/03/06
18	Humber Power Ltd	SHBA_01Z	31/03/06
19	Humber Power Ltd	SHBA_02Z	31/03/06
20	RWE Npower plc	ABTHB07Z	31/03/06
21	RWE Npower plc	ABTHB09Z	31/03/06
22	RWE Npower plc	FAWL_03Z	31/03/06
23	Uskmouth Power Company Ltd	USKM_13Z	31/03/06
24	Uskmouth Power Company Ltd	USKM_14Z	31/03/06
25	Uskmouth Power Company Ltd	USKM_15Z	31/03/06

Reactive Power 15th Tender Round Market Report – 13 May 2005

**Appendix 4 - Successful tender details for contracts commencing
1 April 2005**

Company Name: Barking Power Ltd			Station Name: Barking (Module 1)			
Genset ID: BARK_01Z			Contract Period: 12 months			
Nominated GRC: 405 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	203	90	50	75	90	136
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.100	0.070	0.050	0.050	0.070	0.100
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.700	1.100	0.700	0.850	1.200	1.800

Company Name: Barking Power Ltd			Station Name: Barking (Module 2)			
Genset ID: BARK_02Z			Contract Period: 12 months			
Nominated GRC: 611 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	308	90	50	100	150	197
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.100	0.070	0.050	0.050	0.070	0.100
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	1.700	1.100	0.700	0.850	1.200	1.800

Company Name: British Energy Generation Ltd			Station Name: Heysham 1			
Genset ID: HEYM101Z			Contract Period: 12 months			
Nominated GRC: 595MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	283	150	50	75	200	286
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.095	0.087	0.085	0.085	0.087	0.095
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.300	1.329	1.326	1.326	1.329	2.300

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: British Energy Generation Ltd			Station Name: Heysham 1			
Genset ID: HEYM102Z			Contract Period: 12 months			
Nominated GRC: 575 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	285	150	50	75	200	293
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.095	0.091	0.089	0.089	0.091	0.095
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.300	1.329	1.326	1.326	1.329	2.300

Company Name: British Energy Generation Ltd			Station Name: Heysham 2			
Genset ID: HEYM207Z			Contract Period: 12 months			
Nominated GRC: 660 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	281	200	50	50	200	255
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.115	0.100	0.098	0.098	0.100	0.115
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.300	1.295	1.290	1.290	1.295	2.300

Company Name: British Energy Generation Ltd			Station Name: Heysham 2			
Genset ID: HEYM208Z			Contract Period: 12 months			
Nominated GRC: 660 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	279	200	50	50	200	257
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.100	0.092	0.091	0.091	0.092	0.100
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.300	1.295	1.290	1.290	1.295	2.300

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: British Energy Generation Ltd			Station Name: Torness			
Genset ID: TORN_01Z			Contract Period: 12 months			
Nominated GRC: 640 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 278	Q2Lead: 200	Q1Lead: 75	Q1Lag: 50	Q2:Lag 150	Q3:Lag 291
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.090	CA2Lead: 0.078	CA1Lead: 0.075	CA1Lag: 0.075	CA2Lag: 0.078	CA3Lag: 0.090
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.400	CU2Lead: 1.300	CU1Lead: 1.285	CU1Lag: 1.285	CU2Lag: 1.300	CU3Lag: 2.400

Company Name: British Energy Generation Ltd			Station Name: Torness			
Genset ID: TORN_02Z			Contract Period: 12 months			
Nominated GRC: 640 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 278	Q2Lead: 200	Q1Lead: 75	Q1Lag: 50	Q2:Lag 150	Q3:Lag 291
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.090	CA2Lead: 0.082	CA1Lead: 0.080	CA1Lag: 0.080	CA2Lag: 0.082	CA3Lag: 0.090
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.400	CU2Lead: 1.300	CU1Lead: 1.285	CU1Lag: 1.285	CU2Lag: 1.300	CU3Lag: 2.400

Company Name: Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX01Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 287	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 195	Q3:Lag 268
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.149	CA2Lead: 0.081	CA1Lead: 0.049	CA1Lag: 0.058	CA2Lag: 0.173	CA3Lag: 0.427
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.036	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.474	CU2Lead: 0.467	CU1Lead: 0.234	CU1Lag: 0.234	CU2Lag: 0.595	CU3Lag: 2.845

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX02Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 287	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 195	Q3:Lag 268
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.149	CA2Lead: 0.081	CA1Lead: 0.049	CA1Lag: 0.058	CA2Lag: 0.173	CA3Lag: 0.427
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.474	CU2Lead: 0.467	CU1Lead: 0.234	CU1Lag: 0.234	CU2Lag: 0.595	CU3Lag: 2.845

Company Name: Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX03Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 286	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 195	Q3:Lag 268
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.149	CA2Lead: 0.081	CA1Lead: 0.049	CA1Lag: 0.058	CA2Lag: 0.174	CA3Lag: 0.400
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.474	CU2Lead: 0.467	CU1Lead: 0.234	CU1Lag: 0.234	CU2Lag: 0.608	CU3Lag: 2.990

Company Name: Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX04Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 273	Q2Lead: 200	Q1Lead: 50	Q1Lag: 100	Q2:Lag 195	Q3:Lag 275
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.149	CA2Lead: 0.081	CA1Lead: 0.049	CA1Lag: 0.058	CA2Lag: 0.173	CA3Lag: 0.427
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.474	CU2Lead: 0.467	CU1Lead: 0.234	CU1Lag: 0.234	CU2Lag: 0.595	CU3Lag: 2.845

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX05Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	273	200	50	100	200	274
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.149	0.081	0.049	0.058	0.173	0.427
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.474	0.467	0.234	0.234	0.595	2.845

Company Name: Drax Power Ltd			Station Name: Drax			
Genset ID: DRAXX06Z			Contract Period: 12 months			
Nominated GRC: 645 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	272	200	50	100	195	273
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.149	0.081	0.049	0.058	0.174	0.439
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.474	0.467	0.234	0.234	0.608	2.868

Company Name: E.ON UK plc			Station Name: Connah's Quay (Module 1)			
Genset ID: CONQ_01Z			Contract Period: 12 months			
Nominated GRC: 355 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	176	140	41	45	125	155
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.038	0.028	0.025	0.025	0.028	0.038
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.120	0.090	0.080	0.080	0.090	0.120
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.343	0.412	0.275	0.550	0.619	4.520

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: E.ON UK plc			Station Name: Ratcliffe			
Genset ID: RATS_01Z			Contract Period: 12 months			
Nominated GRC: 500 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	147	110	37	100	150	170
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.051	0.038	0.034	0.034	0.038	0.051
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.200	0.150	0.133	0.133	0.150	0.200
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.343	0.295	0.197	0.394	0.443	4.520

Company Name: Grangemouth CHP Ltd			Station Name: Grangemouth			
Genset ID: GRMO_01Z			Contract Period: 12 months			
Nominated GRC: 140 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	0	0	70	40	60	0
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.500	0.500	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	0.000	0.000	5.000	0.500	1.500	0.000

Company Name: Humber Power Ltd			Station Name: South Humber Bank (Module 1)			
Genset ID: SHBA_01Z			Contract Period: 12 months			
Nominated GRC: 792 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	356	200	50	100	237	338
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.000	0.000	0.000	0.047	0.052	0.052
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.090	1.220	1.220	1.220	1.220	2.090

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: Humber Power Ltd			Station Name: South Humber Bank (Module 2)			
Genset ID: SHBA_02Z			Contract Period: 12 months			
Nominated GRC: 501 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	237	200	50	75	200	239
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.000	0.000	0.000	0.047	0.052	0.052
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.090	1.220	1.220	1.220	1.220	2.090

Company Name: RWE Npower Ltd			Station Name: Aberthaw B			
Genset ID: ABTHB07Z			Contract Period: 12 months			
Nominated GRC: 485 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	147	100	35	35	100	211
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.038	0.013	0.006	0.019	0.064	0.255
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.800	1.400	0.560	0.560	1.400	2.800

Company Name: RWE Npower Ltd			Station Name: Aberthaw B			
Genset ID: ABTHB09Z			Contract Period: 12 months			
Nominated GRC: 485 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead:	Q2Lead:	Q1Lead:	Q1Lag:	Q2:Lag	Q3:Lag
	147	100	35	35	100	211
Available Capability Prices (£/Mvar/h)	CA3Lead:	CA2Lead:	CA1Lead:	CA1Lag:	CA2Lag:	CA3Lag:
	0.038	0.013	0.006	0.019	0.064	0.255
Synchronised Capability Prices (£/Mvar/h)	CS3Lead:	CS2Lead:	CS1Lead:	CS1Lag:	CS2Lag:	CS3Lag:
	0.000	0.000	0.000	0.000	0.000	0.000
Utilisation Prices (£/Mvarh)	CU3Lead:	CU2Lead:	CU1Lead:	CU1Lag:	CU2Lag:	CU3Lag:
	2.800	1.400	0.560	0.560	1.400	2.800

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: RWE Npower Ltd			Station Name: Fawley			
Genset ID: FAWL_03Z			Contract Period: 12 months			
Nominated GRC: 484 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 154	Q2Lead: 100	Q1Lead: 50	Q1Lag: 75	Q2:Lag 154	Q3:Lag 204
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.103	CA2Lead: 0.003	CA1Lead: 0.001	CA1Lag: 0.001	CA2Lag: 0.003	CA3Lag: 0.062
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 1.030	CS2Lead: 0.412	CS1Lead: 0.247	CS1Lag: 0.247	CS2Lag: 0.412	CS3Lag: 1.030
Utilisation Prices (£/Mvarh)	CU3Lead: 2.200	CU2Lead: 1.048	CU1Lead: 0.495	CU1Lag: 0.495	CU2Lag: 1.048	CU3Lag: 2.200

Company Name: Uskmouth Power Co Ltd			Station Name: Uskmouth			
Genset ID: USKM_13Z			Contract Period: 12 months			
Nominated GRC: 121 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 67	Q2Lead: 53	Q1Lead: 37	Q1Lag: 18	Q2:Lag 36	Q3:Lag 54
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.300	CA2Lead: 0.100	CA1Lead: 0.015	CA1Lag: 0.005	CA2Lag: 0.050	CA3Lag: 0.200
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.900	CU1Lead: 0.300	CU1Lag: 0.300	CU2Lag: 0.900	CU3Lag: 2.000

Company Name: Uskmouth Power Co Ltd			Station Name: Uskmouth			
Genset ID: USKM_14Z			Contract Period: 12 months			
Nominated GRC: 121 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 67	Q2Lead: 53	Q1Lead: 37	Q1Lag: 18	Q2:Lag 36	Q3:Lag 54
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.300	CA2Lead: 0.100	CA1Lead: 0.015	CA1Lag: 0.005	CA2Lag: 0.050	CA3Lag: 0.200
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.900	CU1Lead: 0.300	CU1Lag: 0.300	CU2Lag: 0.900	CU3Lag: 2.000

Reactive Power 15th Tender Round Market Report – 13 May 2005

Company Name: Uskmouth Power Co Ltd			Station Name: Uskmouth			
Genset ID: USKM_15			Contract Period: 12 months			
Nominated GRC: 121 MW	Maximum Leading Capability	Mid Point Leading Capability	Low point Leading Capability	Low point Lagging Capability	Mid Point Lagging Capability	Maximum Lagging Capability
Capability (Mvar)	Q3Lead: 67	Q2Lead: 53	Q1Lead: 37	Q1Lag: 18	Q2:Lag 36	Q3:Lag 54
Available Capability Prices (£/Mvar/h)	CA3Lead: 0.300	CA2Lead: 0.100	CA1Lead: 0.015	CA1Lag: 0.005	CA2Lag: 0.050	CA3Lag: 0.200
Synchronised Capability Prices (£/Mvar/h)	CS3Lead: 0.000	CS2Lead: 0.000	CS1Lead: 0.000	CS1Lag: 0.000	CS2Lag: 0.000	CS3Lag: 0.000
Utilisation Prices (£/Mvarh)	CU3Lead: 2.000	CU2Lead: 0.900	CU1Lead: 0.300	CU1Lag: 0.300	CU2Lag: 0.900	CU3Lag: 2.000

National Grid 15th Tender Round Market Report – 13 May 2005

Appendix 5 - Generation Utilisation Volumes by BM Unit – October 2004 to March 2005

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-04		Nov-04		Dec-04		Jan-05		Feb-05		Mar-05		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
ABTHB07Z	Market	3,048	9,618	2,790	15,571	2,962	10,545	4,310	9,641	2,386	10,117	1,050	7,375	16,546	62,867
ABTHB08Z	Market	3,073	11,706	2,721	10,991	4,213	7,093	3,645	10,092	4,146	6,321	2,193	7,865	19,991	54,068
ABTHB09Z	Market	3,676	13,724	2,977	13,249	6,404	7,850	4,906	8,251	4,175	8,921	1,592	10,222	23,729	62,217
BAGE_01Z	Market	995	1,591	6,598	10,861	6,523	6,276	6,419	12,297	6,842	4,109	5,361	9,729	32,738	44,863
BAGE_02Z	Market	87	28	100	14	103	13	108	14	106	15	40	50	543	135
BARK_02Z	Default	15,306	12,737	16,039	17,738	17,901	14,236	11,570	20,999	9,361	20,453	16,066	14,887	86,243	101,050
BARK_11Z	Default	14,839	11,892	14,390	16,754	15,410	13,406	9,954	17,094	6,494	16,747	13,189	13,293	74,275	89,186
BRGG_01Z	Default	1,344	1,030	1,909	539	1,852	461	2,036	327	2,011	364	2,363	375	11,514	3,096
BRYP_01Z	Default	1,265	3,869	922	1,900	836	3,771	860	2,854	773	2,698	907	2,937	5,563	18,030
CDCL_01Z	Market	2,153	1,109	445	3,762	5,354	18,732	1,011	8,595	1,726	13,707	1,485	19,525	12,173	65,431
CNQPS01Z	Market	5,731	6,466	4,721	11,022	4,588	10,524	3,463	12,244	1,841	1,832	0	0	20,343	42,088
CNQPS02Z	Market	6,746	9,281	5,839	13,408	4,694	12,842	3,569	13,196	4,584	6,872	3,957	5,301	29,388	60,900
CNQPS03Z	Market	5,303	9,822	2,724	7,834	3,000	6,042	3,280	16,867	4,640	7,102	2,661	10,394	21,608	58,060
CNQPS04Z	Market	4,782	9,359	4,918	13,775	3,418	10,976	2,504	14,111	3,797	5,085	2,144	10,189	21,564	63,495
CORB_01Z	Market	2,490	5,754	1,599	2,662	964	1,941	923	1,413	1,080	2,246	1,031	3,825	8,086	17,841
COSO_01Z	Default	3,541	3,819	7,215	6,168	3,364	5,579	1,163	7,498	1,664	7,016	3,768	8,116	20,715	38,196
COTPS01Z	Market	2,924	12,043	2,284	17,599	4,154	17,198	708	30,493	1,374	31,678	4,445	18,717	15,889	127,728
COTPS02Z	Market	3,077	14,120	4,906	20,630	5,165	18,113	1,121	25,124	1,227	21,605	0	0	15,495	99,592
COTPS03Z	Market	3,779	12,507	2,796	17,758	2,598	13,489	874	23,361	2,222	23,483	4,165	9,902	16,433	100,499
COTPS04Z	Market	3,242	10,400	3,057	15,407	4,516	16,688	1,924	18,328	1,678	25,184	2,158	34,406	16,576	120,413
COWE_01Z	Default	0	3	0	13	0	21	0	73	0	65	0	24	0	199
COWE_02Z	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DAMC_01Z	Default	20,052	23,783	20,148	17,164	17,862	16,466	12,070	15,748	12,018	13,276	10,051	14,481	92,201	100,918
DEEP_01Z	Market	10,557	11,477	8,269	18,240	2,680	13,571	3,205	16,411	1,808	7,877	2,095	6,626	28,614	74,202
DERW_01Z	Market	996	14,575	543	10,429	639	13,296	1,832	12,579	2,362	7,361	1,042	5,169	7,414	63,409
DIDC_01G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0

National Grid 15th Tender Round Market Report – 13 May 2005

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-04		Nov-04		Dec-04		Jan-05		Feb-05		Mar-05		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
DIDC_01Z	Default	10,088	7,511	11,112	1,544	9,475	1,003	2,419	11,674	4,984	7,148	6,853	9,253	44,931	38,132
DIDC_02G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIDC_02Z	Default	1,835	1,320	5,404	5,603	10,087	5,329	4,345	7,348	15,636	2,935	19,342	591	56,649	23,125
DIDC_03G	Default	0	0	0	0	0	0	0	0	0	4	0	0	0	4
DIDC_03Z	Default	6,419	4,631	8,864	5,220	20,752	7,516	5,421	10,405	10,625	13,642	10,139	11,232	62,221	52,646
DIDC_04G	Default	0	0	0	0	0	0	0	0	0	9	0	0	0	9
DIDC_04Z	Default	11,631	7,385	8,796	9,598	15,220	7,854	7,009	13,202	6,558	13,012	9,265	10,031	58,479	61,081
DIDCB05Z	Market	23,307	8,058	17,682	11,673	18,999	10,404	161	0	1,155	1,578	672	61	61,977	31,773
DIDCB06Z	Market	30,506	8,098	19,467	10,501	27,986	10,302	25,309	18,340	25,589	13,107	20,084	8,325	148,941	68,674
DINO_01Z	Default	1,588	0	2,071	422	2,181	527	2,161	815	2,560	638	3,209	1,233	13,770	3,635
DINO_02Z	Default	12,314	255	6,018	2,649	4,184	1,401	3,020	1,556	2,992	419	4,916	890	33,445	7,169
DINO_03Z	Default	5,953	1,686	6,104	1,532	6,177	1,185	4,352	1,571	5,719	2,386	6,309	2,224	34,614	10,584
DINO_04Z	Default	9,948	1,137	3,390	1,139	7,536	1,037	6,180	1,146	5,630	894	6,569	1,074	39,253	6,428
DINO_05Z	Default	1,256	0	3,712	45	2,843	171	2,275	588	2,391	52	5,091	393	17,568	1,248
DINO_06Z	Default	3,082	1,143	6,512	2,417	5,562	1,861	3,086	2,187	3,994	1,314	4,155	1,458	26,392	10,380
DNGB_21Z	Market	6,889	4,749	9,649	18,565	12,631	20,179	10,009	13,294	10,887	8,237	5,726	2,842	55,790	67,867
DNGB_22Z	Market	18,184	12,220	10,161	12,932	16,563	17,372	6,776	9,149	13,049	11,948	17,087	9,698	81,819	73,319
DRAXX01Z	Market	4,239	26,822	4,254	38,509	6,912	27,937	5,817	31,264	5,114	30,781	7,739	29,604	34,075	184,917
DRAXX02Z	Market	6,199	33,511	4,815	37,173	8,161	31,159	6,244	30,180	4,801	30,346	4,917	25,681	35,137	188,050
DRAXX03Z	Market	9,107	741	0	0	7,414	912	12,061	17,568	3,595	16,268	5,963	7,156	38,140	42,645
DRAXX04Z	Market	6,370	27,470	6,193	30,313	8,370	28,324	6,585	23,275	4,384	29,750	6,322	26,673	38,224	165,804
DRAXX05Z	Market	5,574	25,377	6,608	33,521	7,673	28,173	7,603	33,549	5,140	29,478	8,903	29,484	41,500	179,583
DRAXX06Z	Market	5,807	26,299	6,111	29,141	7,303	26,364	6,101	29,482	5,245	33,042	9,222	30,736	39,788	175,064
DRAXX09G	Default	0	2	0	8	0	7	0	7	0	0	0	0	0	23
DRAXX10G	Default	0	0	0	0	0	9	4	20	0	0	0	0	4	29
DRAXX12G	Default	0	0	0	0	6	0	0	0	0	0	0	0	6	0
DUNGA01Z	Default	736	2,912	532	3,909	1,364	6,137	1,438	6,132	141	990	3,901	2,878	8,111	22,958
DUNGA02Z	Default	330	3,295	789	6,447	1,189	7,634	986	6,806	22	521	3,263	3,322	6,577	28,026

National Grid 15th Tender Round Market Report – 13 May 2005

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-04		Nov-04		Dec-04		Jan-05		Feb-05		Mar-05		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
DUNGA03Z	Default	1,171	1,474	1,227	2,922	2,550	4,078	2,853	3,553	151	2	3,913	1,066	11,864	13,094
DUNGA04Z	Default	1,601	2,202	1,656	1,145	3,269	3,229	4,349	2,348	465	167	505	3,412	11,844	12,503
EECL_01Z	Default	5,799	1,123	206	929	2,313	2,762	3,180	13,543	3,813	21,573	6,630	12,666	21,941	52,595
EGGPS01Z	Default	1,914	5,151	1,028	7,339	2,802	11,135	3,566	10,219	3,907	11,702	3,071	5,613	16,288	51,158
EGGPS02Z	Default	1,273	4,793	2,051	9,218	2,706	10,793	2,779	5,009	2,630	7,870	1,854	6,104	13,293	43,787
EGGPS03Z	Default	2,364	13,137	3,113	15,254	5,140	15,398	5,509	13,453	3,440	11,393	3,891	12,728	23,456	81,361
EGGPS04Z	Default	3,898	12,502	2,348	15,710	908	7,113	3,896	10,352	3,336	12,209	3,106	11,229	17,492	69,114
FAWL_03Z	Market	140	1,083	57	878	0	629	111	40	1,297	1,468	750	1,266	2,354	5,365
FAWN_01Z	Default	8,435	3	8,783	320	1,978	496	2,056	495	721	1,180	3,605	85	25,578	2,580
FELL_01Z	Default	13	12,037	4	15,614	3	17,988	2	17,264	0	11,179	0	11,711	22	85,793
FERR_01Z	Default	1,024	2,819	3,815	7,842	3,377	4,352	5,036	12,559	5,034	11,024	5,144	10,755	23,430	49,351
FERR_02Z	Default	2,231	8,639	4,141	6,351	4,747	6,787	5,474	12,160	4,872	12,128	2,044	6,503	23,510	52,569
FERR_03Z	Default	1,464	8,826	2,380	9,151	3,302	7,609	2,898	11,465	1,099	1,639	3,891	12,338	15,034	51,027
FERR_04Z	Default	1,037	5,640	1,849	6,698	2,036	7,456	2,591	9,903	4,835	9,683	1,661	2,015	14,008	41,395
FFES_01Z	Default	607	1,317	303	610	500	1,302	708	1,861	189	1,079	469	971	2,776	7,139
FFES_02Z	Default	831	197	960	207	1,155	174	1,022	177	1,363	251	1,035	420	6,366	1,425
FFES_03Z	Default	381	0	1,373	0	3,427	0	2,447	0	3,259	0	2,901	0	13,787	0
FFES_04Z	Default	2	0	0	2	0	27	0	34	0	32	0	25	2	120
FIDL_01Z	Default	5,337	949	5,936	2,871	5,030	2,988	5,467	3,693	8,515	2,042	7,681	1,991	37,965	14,534
FIDL_02Z	Default	5,324	1,216	6,623	4,433	4,114	3,492	4,475	5,328	5,877	4,536	6,043	2,750	32,456	21,756
FIDL_03Z	Default	103	20	5,975	2,704	11,023	3,202	5,279	4,276	6,511	3,436	13,879	1,503	42,769	15,142
FIDL_04Z	Default	5,437	3,424	9,104	4,641	6,485	5,143	5,569	5,355	5,923	4,290	7,414	4,358	39,931	27,212
GRAI_01Z	Default	0	0	309	60	251	2,330	0	0	0	0	191	280	750	2,670
GRAI_04Z	Default	1,665	1,423	477	2,630	798	2,232	0	0	715	737	4,017	1,969	7,671	8,992
GYAR_01Z	Default	8,183	3,921	8,460	8,295	3,552	4,797	5,577	3,496	3,387	2,616	5,648	2,271	34,808	25,395
HEYM101Z	Default	5	10	12	0	2,405	4,117	5,300	45,239	7,319	44,406	7,560	44,557	22,600	138,328
HEYM102Z	Default	18	0	4	0	2,640	13,113	4,828	40,974	5	0	4	1	7,498	54,088
HEYM207Z	Default	12,569	60,214	10,623	64,905	8,634	50,279	4,201	38,030	7,318	40,666	7,563	43,160	50,908	297,255

National Grid 15th Tender Round Market Report – 13 May 2005

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-04		Nov-04		Dec-04		Jan-05		Feb-05		Mar-05		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
HEYM208Z	Default	14,189	60,129	8,507	38,754	6,965	40,959	5,210	40,549	4,921	32,778	5,802	42,980	45,593	256,149
HINB_07Z	Default	21,400	7,965	16,600	6,994	11,638	8,004	11,959	9,222	11,816	6,363	15,579	4,239	88,993	42,787
HINB_08Z	Default	15,068	3,086	16,928	5,900	17,608	6,553	16,730	8,287	14,108	6,570	16,303	4,821	96,745	35,217
HRTL_01Z	Default	0	0	29	0	1,680	5,930	3,765	35,515	6,297	36,244	9,492	7,265	21,263	84,954
HRTL_02Z	Default	26	0	38	0	10,344	3,056	18,420	1,447	16,252	1,998	18,774	1,988	63,855	8,489
HUMR_01Z	Default	0	0	0	0	19,591	0	19,268	0	15,753	0	20,785	0	75,397	0
IRNPS01Z	Market	6,587	4,058	6,826	5,596	7,243	1,929	36,276	528	27,545	225	39,023	48	123,499	12,384
IRNPS02Z	Market	7,091	5,580	2,875	18,084	1,573	12,587	2,417	29,370	3,458	16,426	3,634	24,844	21,049	106,891
KEAD_01Z	Market	4,417	45,999	5,953	59,501	3,341	43,313	5,304	64,185	2,803	57,889	4,170	60,309	25,987	331,195
KILLP01Z	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KILLP02Z	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KILNS01Z	Market	3,365	21,106	4,093	26,971	1,788	18,549	2,989	29,804	2,335	24,762	3,657	24,597	18,227	145,789
KINO_01Z	Market	2,283	4,814	8,659	6,049	8,398	8,976	2,882	7,289	5,225	11,620	4,978	8,024	32,425	46,772
KINO_02Z	Market	13,270	1,860	20,932	1,227	9,752	2,113	5,937	1,252	5,657	4,540	10,220	3,193	65,767	14,183
KINO_03Z	Market	4,445	11,323	8,155	6,329	6,144	11,491	5,541	12,513	3,901	11,020	5,706	7,141	33,892	59,816
KINO_04Z	Default	3,539	6,680	8,779	4,876	12,364	3,563	7,567	5,668	18,582	500	16,907	1,009	67,738	22,297
KLYNA01Z	Default	4,554	0	445	0	0	0	0	0	0	0	0	0	4,998	0
LBAR_01Z	Default	5,621	49,455	7,256	53,804	3,005	69,167	1,548	43,085	0	0	0	724	17,430	216,235
LITTD01G	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LITTD01Z	Market	21	329	137	218	176	2,224	0	0	372	2,200	1,377	4,142	2,082	9,113
LITTD02G	Default	0	0	0	0	6	0	3	0	0	0	0	0	9	0
LITTD02Z	Market	65	1,984	356	1,490	64	63	0	0	528	2,574	92	1,389	1,106	7,501
LITTD03G	Default	2	0	0	0	0	0	7	0	9	1	1	1	18	2
MEDP_01Z	Market	1,605	961	22,519	13,349	30,591	14,068	20,026	21,241	20,839	14,869	20,506	11,081	116,086	75,569
OLDS_01Z	Default	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OLDS_02Z	Default	6,850	11,570	3,504	19,345	4,659	16,222	4,372	14,258	2,195	18,857	6,052	7,815	27,631	88,068
PETEM01Z	Default	3,492	1,230	1,257	1,927	2,407	2,802	2,370	2,378	1,196	4,085	2,760	5,513	13,483	17,936
RATS_01Z	Market	22,054	10,401	20,374	8,537	4,664	18,480	5,805	21,306	1,847	36,146	4,766	24,410	59,510	119,281

National Grid 15th Tender Round Market Report – 13 May 2005

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-04		Nov-04		Dec-04		Jan-05		Feb-05		Mar-05		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
RATS_02Z	Market	2,036	39,392	252	54,934	15	49,108	97	55,523	19	44,091	162	51,032	2,581	294,080
RATS_03Z	Market	2,487	3,337	5,994	15,098	9,378	6,032	6,687	3,182	4,277	4,559	5,639	4,968	34,463	37,176
RATS_04Z	Market	6,890	17,619	7,571	15,169	7,055	16,565	3,118	32,268	2,710	35,517	1,629	30,518	28,972	147,656
ROCK_01Z	Default	18,019	8,466	12,456	7,339	15,761	8,587	9,339	10,966	8,051	9,008	8,823	9,011	72,448	53,377
ROOS_01Z	Default	153	4,035	331	4,163	392	3,075	228	3,183	167	4,037	433	6,073	1,705	24,567
RUGPS06G	Default	0	26	0	37	0	20	0	34	0	48	0	39	0	203
RUGPS06Z	Default	5,532	8,724	3,632	6,793	1,049	1,628	2,923	24,283	3,584	17,121	3,557	19,719	20,277	78,267
RUGPS07G	Default	0	54	0	85	0	40	0	100	0	95	0	56	0	430
RUGPS07Z	Default	5,240	7,660	3,803	8,432	7,265	8,088	1,921	17,094	3,964	16,187	4,895	20,265	27,088	77,726
RYHPS01Z	Market	16,244	28,095	4,669	32,927	2,335	27,055	1,751	39,226	1,151	40,012	6,161	25,660	32,311	192,975
SCCL_01Z	Default	762	1,570	1,829	2,889	2,519	2,234	1,482	2,329	2,578	256	2,617	4,416	11,786	13,694
SCCL_02Z	Default	1,442	7,453	2,197	5,472	3,512	7,173	1,594	7,657	1,620	5,157	904	6,254	11,269	39,165
SCCL_03Z	Default	538	3,986	4,025	5,298	3,007	1,899	1,413	1,854	1,310	1,802	754	2,030	11,048	16,869
SEAB_01Z	Market	4,827	12,553	5,769	11,762	3,147	9,102	3,181	9,055	2,425	15,968	8,822	11,816	28,170	70,256
SEAB_02Z	Market	11,302	4,089	5,704	6,651	6,058	1,668	3,515	4,037	7,603	4,057	6,527	6,819	40,710	27,321
SHBA_01Z	Market	5,035	13,380	5,009	11,534	7,608	9,661	6,378	18,849	2,355	14,480	4,613	16,164	30,997	84,067
SHBA_02Z	Market	4,438	11,391	5,179	8,173	3,002	7,319	3,440	18,146	1,738	13,389	1,836	18,247	19,633	76,664
SHOS_01Z	Default	25,566	610	18,230	1,030	16,368	587	15,216	763	10,377	1,112	10,433	1,446	96,191	5,547
SHOT_01Z	Default	374	1,609	444	4,476	654	5,279	910	4,151	415	3,943	229	3,842	3,026	23,299
SIZB_01Z	Market	4,205	17,510	8,357	27,408	7,991	18,579	2,649	31,181	3,467	36,694	8,813	23,138	35,482	154,510
SIZB_02Z	Market	47,544	723	22,284	693	18,578	1,099	16,329	1,383	16,245	2,052	15,201	1,371	136,183	7,322
SIZEA01Z	Default	0	1	0	0	659	8,438	537	8,269	674	14,183	2,635	13,519	4,505	44,410
SIZEA02Z	Default	5,804	8,443	2,622	10,577	3,139	6,171	1,947	8,651	1,426	13,657	1,754	12,174	16,692	59,673
SPLN_01Z	Default	12,063	8,188	7,498	9,753	4,554	23,836	1,344	38,908	4,320	28,961	1,952	38,782	31,729	148,427
SUTB_01Z	Market	8,545	33,987	7,393	43,146	10,195	34,237	6,197	46,928	3,178	55,276	0	0	35,509	213,574
TAYL_02Z	Market	5	0	6	20	0	0	0	34	4	60	1	24	16	138
TAYL_03Z	Market	12	12	0	0	0	0	0	4	19	23	17	5	48	43
TESI_01Z	Default	7,506	15,872	7,111	25,100	9,559	18,609	5,274	17,285	4,627	9,682	6,495	13,135	40,572	99,683

National Grid 15th Tender Round Market Report – 13 May 2005

BM Unit	Agreement	Monthly Mvarh												6 Month TOTAL	
		Oct-04		Nov-04		Dec-04		Jan-05		Feb-05		Mar-05		Lead	Lag
		Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag	Lead	Lag		
TESI_02Z	Default	4,895	19,610	4,385	25,364	10,664	15,075	7,758	13,773	4,720	12,540	6,354	13,544	38,777	99,907
TILBB08Z	Default	1,939	558	3,678	9,893	4,718	11,845	5,291	9,794	3,832	10,182	8,586	9,320	28,043	51,591
TILBB09Z	Default	0	0	3,970	8,590	7,128	4,628	5,366	2,903	175	590	3,460	6,124	20,099	22,834
TILBB10Z	Default	3,936	9,165	3,230	11,613	3,146	12,155	2,686	12,624	2,510	12,554	7,055	10,299	22,562	68,410
USKM_13Z	Default	1,301	996	0	0	0	0	0	0	1,015	1,243	1,237	1,659	3,552	3,898
USKM_14Z	Default	0	0	0	0	0	0	349	173	134	33	0	0	482	206
USKM_15Z	Default	0	0	0	0	527	577	1,335	1,477	1,207	926	1,089	2,026	4,158	5,006
WBUPS01Z	Market	170	38,365	1,419	33,342	585	27,729	603	39,309	571	40,210	373	45,538	3,722	224,494
WBUPS02Z	Market	952	39,957	1,021	43,568	1,148	37,716	325	46,499	651	48,141	619	59,495	4,716	275,376
WBUPS03Z	Market	655	38,610	1,303	37,678	877	31,010	635	36,906	306	47,454	922	55,434	4,699	247,091
WBUPS04Z	Market	1,632	36,364	1,294	37,275	864	26,925	669	45,527	1,016	44,710	1,036	52,917	6,510	243,718
WYLF_01Z	Default	15,544	216	18,655	483	22,410	34	13,692	521	23,170	12	23,043	307	116,514	1,574
WYLF_02Z	Default	14,856	1,309	16,414	828	19,050	54	11,635	1,074	1,466	15	0	0	63,420	3,279
WYLF_03Z	Default	19,601	159	20,396	250	21,893	179	17,966	675	17,068	145	18,836	249	115,760	1,657
WYLF_04Z	Default	8,960	2,010	13,525	1,207	12,675	2,015	11,276	735	13,516	354	18,651	594	78,604	6,915
Subtotal	Default	422,981	490,284	418,458	571,927	489,859	586,485	382,109	748,518	381,310	591,661	479,321	570,406	2,574,038	3,559,281
Subtotal	Market	361,161	771,805	326,385	953,149	336,558	824,541	273,332	1,054,700	248,495	1,018,481	283,299	903,144	1,829,230	5,525,821
Total	Mvarh	784,143	1,262,089	744,843	1,525,076	826,417	1,411,026	655,440	1,803,219	629,805	1,610,143	762,620	1,473,550	4,403,268	9,085,103

Appendix 6 - Tender Assessment Procedure

A6 Introduction

A6.1 National Grid assessed Reactive Power Tender Round 15 in a manner consistent with the processes applied to all previous Tender Rounds, as detailed in Schedule 3 of the CUSC. Analytical processing was conducted in six-month time periods (Summer – from 1 April to 30 September and Winter – from 1 October to 31 March) in order to consider any interaction with the overlap of contracts secured during the previous Reactive Power Market Tender Rounds and also to take into account the effects of the implementation of CUSC Modification CAP045.

A6.2 National Grid has divided the process of assessing tenders into several stages, which were addressed as follows:

- *Tender Receipt and Registration:* The tenders were opened, in the presence of a separate witness and all tender data submitted was entered into TARDIS (Transmission Ancillary Reactive Database Information System).
- *Tender Data validation:* All TARDIS entries were then separately checked back to the original tender sheets. Compliance checks within TARDIS showed that the majority of tenders submitted were compliant. The non-compliances arose from submissions of new DRC data making the tendered technical data inconsistent. All the technical data non-compliances were resolved satisfactorily during the tender evaluation period.
- *Obligatory Reactive Power Service Assessment:* The tenders were assessed against forecast, taking into account the many interacting factors associated with each tender acceptance decision, as described in Appendix 6 in Schedule 3 of the CUSC. This involved, inter-alia, evaluation against projections of expenditure and availability of service against historical and forecast Mvar and Mvarh data to produce central views of the money payable under the DPM (Default Payment Mechanism) or a Market Agreement (described below). The overall assessment was supported by an examination of a number of credible sensitivities around the central assessment.
- *Enhanced Reactive Power Service Assessment:* No ERPS tenders were received.

A6.3 Core Analytical Processing

- Tender assessment takes place in the context of uncertainties and interactions affecting reactive payments and transmission requirements. To initiate the assessment of the overall value of each tender, it is considered necessary to construct a central view of future payments so that the relative impact of the factors influencing the economic evaluation of tenders can be fully addressed.

For each BM Unit tendered, the processing was as follows:

- Forecast Mvarh generated, in each band by reactive Mvar breakpoints, were set via extrapolations from historical observations and forecast load factors. The historical observations covered the period 2003 to 2004 and came from the Ancillary Services records against which Reactive Power utilisation is currently being paid.
- The default payment mechanism utilisation money was set at forecast Mvarh multiplied by the forecast utilisation prices. These prices were as per Addendum 2 to the ITT Documentation, that of £1.9599/MVArh for Summer and £2.2248/MVArh Winter. (Derived from CUSC Schedule 3, using a forecast of indices).
- Market agreement capability money was set at tendered price multiplied by tendered capability, allowing for break-points, multiplied by forecast hours for both available and synchronised capability.
- Market agreement utilisation money was set at tendered prices, multiplied by the above forecast Mvarh, respecting the tendered break-point bands of Mvarh utilisation.
- The core comparison of default versus market agreement is based on the forecast payments detailed above. However, Reactive Power assessment is by no means as simple as taking the cheapest option. A full understanding of the factors influencing Reactive Power requirements on the GB Transmission System must be taken into account to provide a complete economic assessment of tender value.

A6.4 Assessment Sensitivities

- The principal role of tender assessment is to quantify and evaluate consistently the many factors that should be considered. These factors are referred to in 5.3(e)(ii) of Schedule 3 of the CUSC and are cross-referenced in section 2.12 of the Invitation to Tender & Guidance Notes for Completion of Tenders in the ITT Documentation. National Grid assessment has developed and implemented a process enabling these factors and associated uncertainties to be methodically considered.
- In the light of CAP045, the variability in the DPM price will affect the balance between market and default payments. The robustness of the core contract decisions was tested against a range of default prices from the central forecast default prices used (£1.9599/Mvarh for Summer and £2.2248/Mvarh for Winter). The range considered was from -9% (the original forecast prices in the Guidance Notes) to +10%.
- The Reactive Power market tender evaluation process is subjective in nature, based as it is on forecast assumptions. It has therefore been important to establish a framework within which this subjectivity could be exercised in a consistent fashion across all tenders.

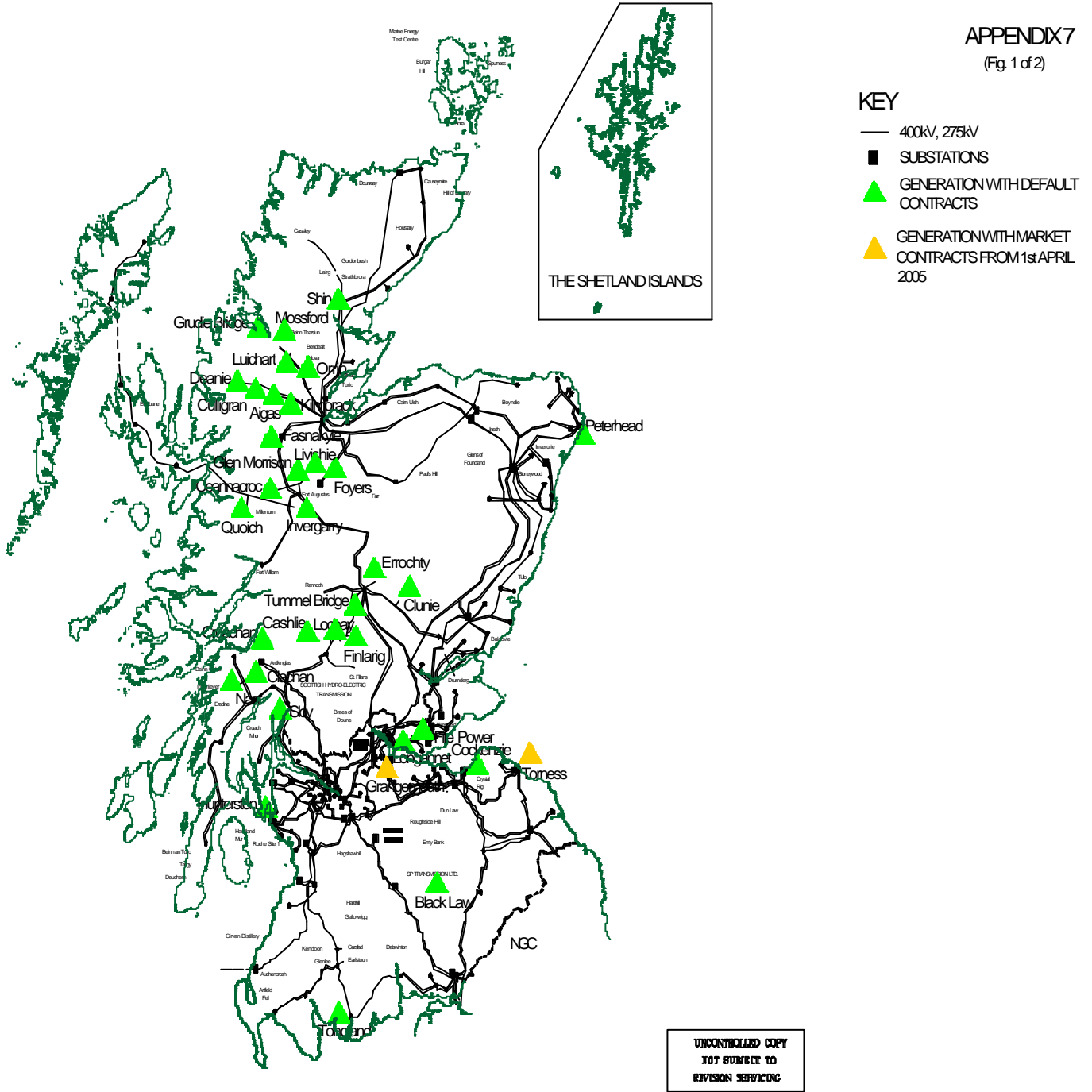
Specific questions were asked of each tender, examples of which follow:

- *Would a Market Agreement (central case assessment) give a reduction in payments?*
- *Would a Market Agreement reflect the effectiveness at providing voltage support at that location?*
- *Would a Market Agreement be robust against expected individual variations in utilisation due to:*
 - ◆ *a new station opening nearby*
 - ◆ *an existing nearby station closing*
 - ◆ *trends in local Reactive Power demand*
 - ◆ *reinforcements to and planned outages of parts of the transmission system*
- *Would a Market Agreement enhance the incentive on the Generator to maintain its Grid Code capability?*
- *How would a Market Agreement affect operational despatch?*
- *To what extent might a Market Agreement potentially offset National Grid investment?*

- *Would a Market Agreement for ORPS enable a desired contract for ERPS?*
- All other criteria in CUSC Schedule 3, paragraph 3, are covered by this methodology.
- In all cases, National Grid continued to consider interaction with forecast transmission constraints. In all cases, there were insignificant interactions with constraints identified.

In all cases, National Grid considered possible interaction with National Grid planned investments. The commissioning in 2004/05 and 2005/06 of new National Grid transmission equipment, which includes some reactive compensation equipment, influenced National Grid's view of forecast Mvarh. All of the commissioning equipment is required for compliance with Transmission Licence Standards, and re-phasing of planned National Grid investments within a 12-month contract period is not a practical option.

Appendix 7 - Geographic Distribution between DPM and Market Contracts



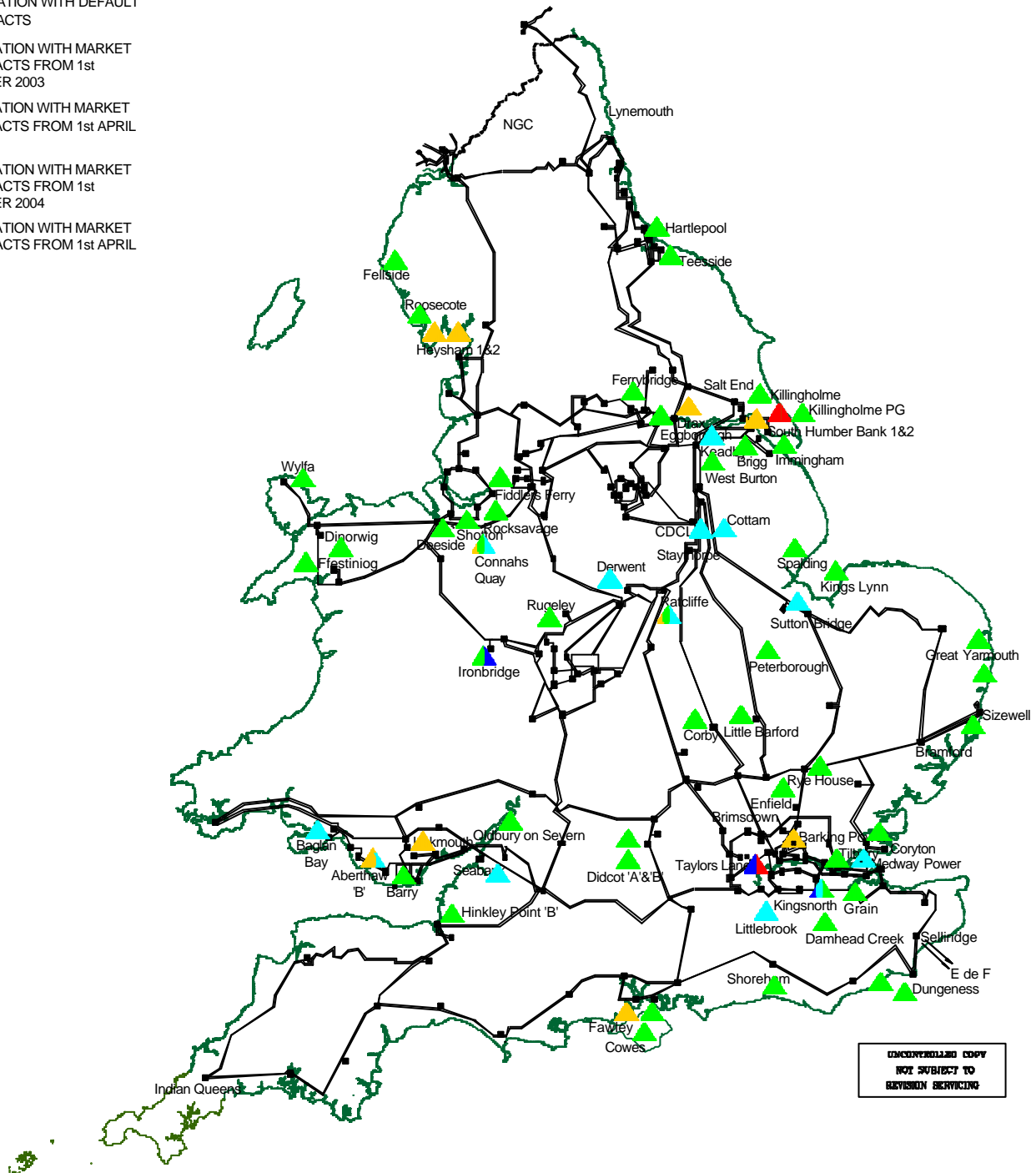
GENERATION (SCOTLAND) ELIGIBLE FOR REACTIVE POWER PAYMENTS AS AT 1st APRIL 2005
SHOWING THE SPLIT BETWEEN DEFAULT AND MARKET CONTRACTS

APPENDIX 7

(Fig. 2 of 2)

KEY

- 400kV, 275kV
- SUBSTATIONS
- ▲ GENERATION WITH DEFAULT CONTRACTS
- ▲ GENERATION WITH MARKET CONTRACTS FROM 1st OCTOBER 2003
- ▲ GENERATION WITH MARKET CONTRACTS FROM 1st APRIL 2004
- ▲ GENERATION WITH MARKET CONTRACTS FROM 1st OCTOBER 2004
- ▲ GENERATION WITH MARKET CONTRACTS FROM 1st APRIL 2005



GENERATION (ENGLAND AND WALES) ELIGIBLE FOR REACTIVE POWER PAYMENTS AS AT 1st APRIL 2005
SHOWING THE SPLIT BETWEEN DEFAULT AND MARKET CONTRACTS

Appendix 8 - Contact Information

A8.1 Further report information, comments suggestions and enquiries can be directed to:

**Amanda Lewis
Operations and Trading
National Grid Transco
NGT House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA**

On telephone number: **01926 653577**

Email: **amanda.lewis@ngtuk.com**

A8.2 For any other information please visit the National Grid website on the following address:

www.nationalgrid.com/uk/balancing/indinfo/balancing/mn_reactive.html