

Fast Reserve

Market Information for Tenders for February 2002

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

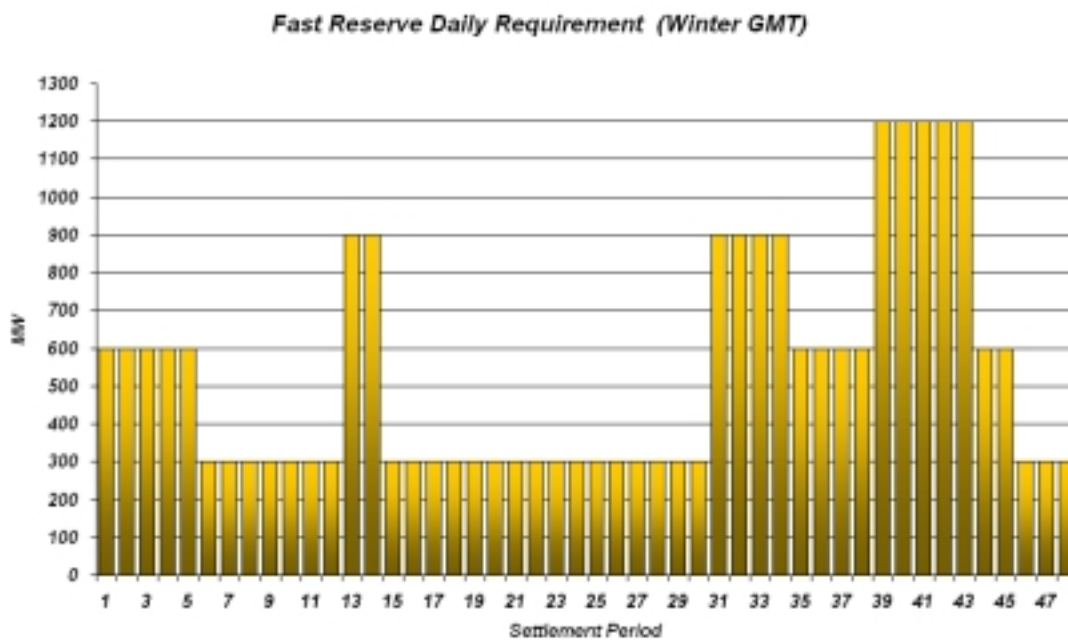


Figure 1

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 "November" (the period 22nd October - 25th November 2001) and "December" (26th November - 31st December 2001). This information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve in the BM. For clarity, day numbers rather than dates are shown.

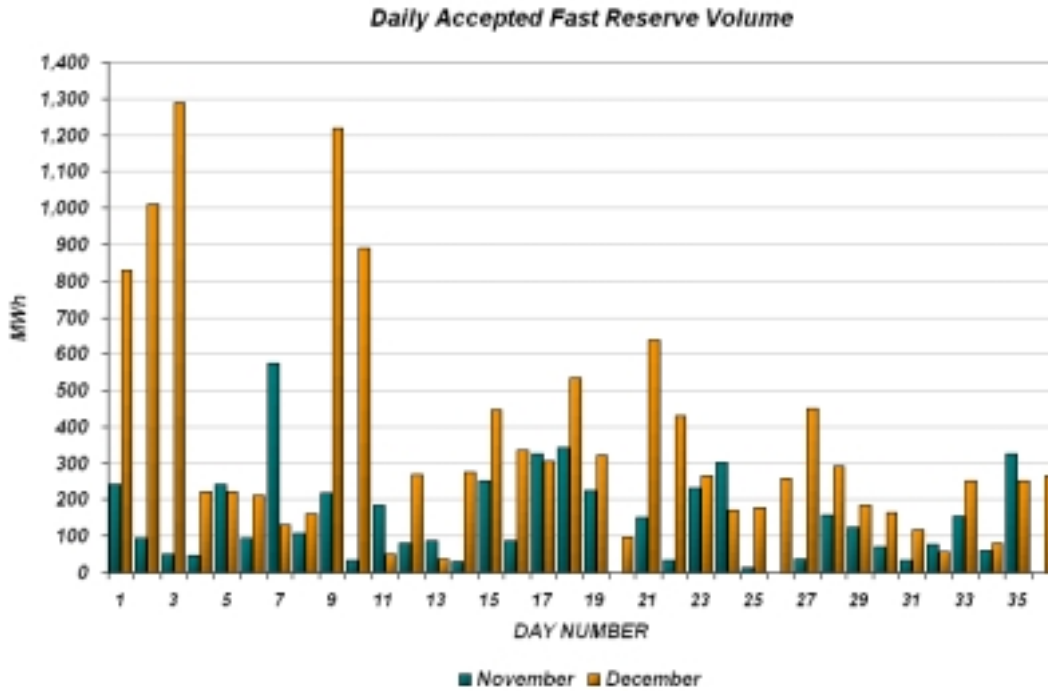


Figure 2

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.

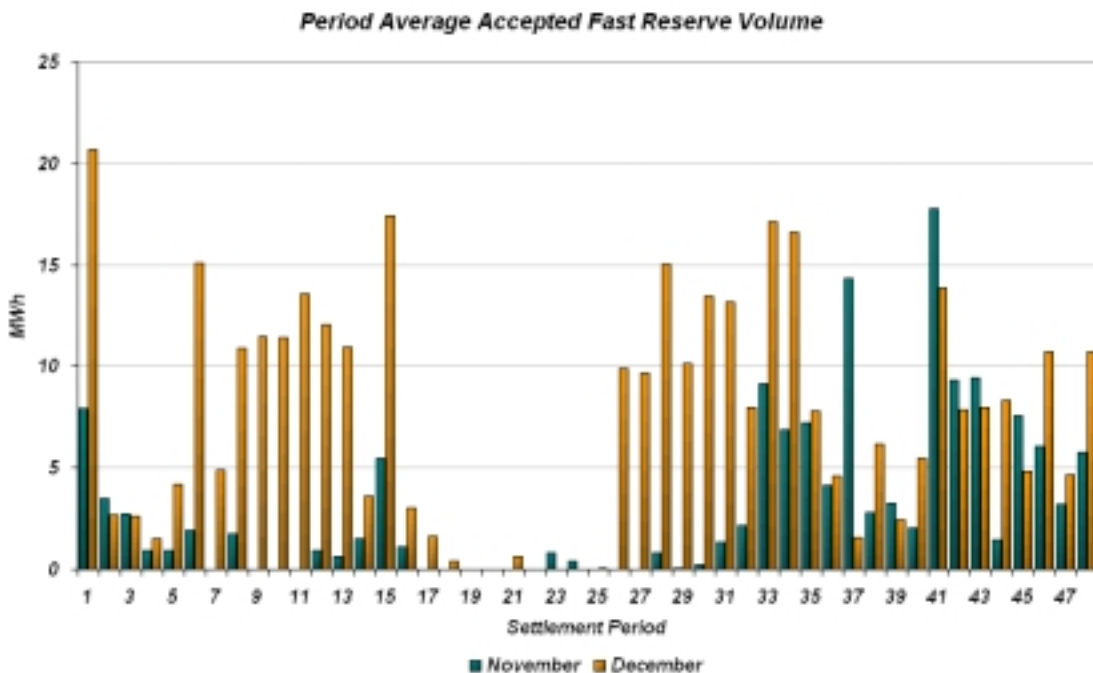


Figure 3

The total volumes of Fast Reserve utilisation of **5.1 GWh** for November and **12.9 GWh** for December break down into price bands as follows:

NOV	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	55.2	4,997.2	0.28
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	877.3	377.9	0.33
	0 to 300	3,335.7	145.3	0.48
Total		4.3 GWh		£1.1 m
BIDS	0 to 300	-12.0	0.0	0.00
	-300 to 0	-134.0	-199.3	0.03
	-1000 to -300	-693.0	-507.8	0.35
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	0.0	n/a	n/a
Total		-0.8 GWh		£0.4 m
Total		5.1 GWh		£1.5 m

DEC	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	68.6	4,939.8	0.34
	1000 to 2000	0.0	n/a	n/a
	300 to 1000	548.6	389.3	0.21
	0 to 300	6,285.5	148.0	0.93
Total		6.9 GWh		£1.5 m
BIDS	0 to 300	-5,185.0	20.0	-0.10
	-300 to 0	-332.0	-247.9	0.08
	-1000 to -300	-456.0	-497.9	0.23
	-2000 to -1000	0.0	n/a	n/a
	-10000 to -2000	-14.0	-2,433.3	0.03
Total		-6.0 GWh		£0.2 m
Total		12.9 GWh		£1.7 m

These charts and tables show that from November to December Fast Reserve utilisation cost increased by 17.1% while the volume utilised increased by 152%.

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

For the month of **February**, tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid by close of business on Tuesday 15th January. National Grid will notify Service Providers of the outcome of the tender assessment by Tuesday 22nd January.