

## Glossary

<b>AES</b>	Collectively, the four AES <b>generation licence-holders</b> which were the subject of the references to the <b>CC</b> .
<b>AES Barry</b>	AES Barry Limited, one of the <b>generation licence-holders</b> which were the subject of the references to the <b>CC</b> .
<b>AES Corporation</b>	AES Corporation of the USA, ultimate holding company of the AES group of companies.
<b>AES Drax</b>	AES Drax Power Limited, one of the <b>generation licence-holders</b> which were the subject of the references to the <b>CC</b> .
<b>AES Fifoots Point</b>	AES Fifoots Point Limited, one of the <b>generation licence-holders</b> which were the subject of the references to the <b>CC</b> .
<b>AES Indian Queens</b>	AES Indian Queens Power Limited, one of the <b>generation licence-holders</b> which were the subject of the references to the <b>CC</b> .
<b>AGR</b>	Advanced Gas-cooled Reactor. The design of nuclear reactor used in seven of <b>British Energy</b> 's eight UK power stations (see also <b>PWR</b> ).
<b>Ancillary services</b>	Services procured by <b>NGC</b> to maintain the security and stability of the <b>transmission system</b> . The four main ancillary services consist of reactive power, reserve, frequency response and black-start capability. In addition, <b>NGC</b> has, on occasion, signed ancillary service contracts to assist in the alleviation of transmission constraints. <b>NGC</b> also has contracts for emergency assistance from the operators of the French and Scottish <b>transmission systems</b> . See also <b>uplift</b> and <b>balancing services</b> .
<b>Balancing Mechanism</b>	Under <b>NETA</b> , the Balancing Mechanism will provide <b>NGC</b> with a means of undertaking the following functions: matching system-wide imbalances between electricity production and consumption; adjusting local and bulk power flows to ensure the security of the transmission network; and placing Balancing Mechanism units in a position to deliver other <b>balancing services</b> . The operation of the Balancing Mechanism for a particular half-hour starts after <b>Final Physical Notifications</b> and offers and bids have been submitted to <b>NGC</b> for that half-hour—ie after <b>Gate Closure</b> . <b>NGC</b> is solely responsible for determining which offers and bids are accepted in the Balancing Mechanism. It may accept all or part of any offer or bid at any time after <b>Gate Closure</b> up until real time.
<b>Balancing services</b>	Under <b>NETA</b> , the services procured by <b>NGC</b> to operate the <b>transmission system</b> , including those previously known as <b>ancillary services</b> , will be known as balancing services. These services are required in order to maintain the reliability and security of the transmission network. They include services to operate generation plant in a manner that will support system voltage and system frequency. Balancing services will also include any bids and offers accepted by <b>NGC</b> in the <b>Balancing Mechanism</b> . Thus, balancing services will include services purchased by <b>NGC</b> both inside and outside the <b>Balancing Mechanism</b> .
<b>Balancing and Settlement Code</b>	Under <b>NETA</b> , the code will set out the rules governing the operation of the Balancing Mechanism and the imbalance settlement process and the relationships and responsibilities of signatories. It will also specify the process for modifying the code when <b>NETA</b> has been implemented.
<b>Barry</b>	The Barry <b>CCGT</b> power station in South Wales, constructed for <b>AES Corporation</b> and commissioned in September 1998. Owned by <b>AES Barry</b> .

<b>Baseload, non-baseload, mid-merit, peak-load generation</b>	Modes of operation of power stations. Baseload plant is plant that is operated at a constant high output for a sustained period of time, ie at a high <b>load factor</b> . It therefore tends to operate throughout the day and throughout the year (subject to required maintenance periods). Mid-merit and peak-load generation operates at a range of lower <b>load factors</b> , for example being used to meet daily shoulders and peaks in demand, and seasonal shoulders and peaks.
<b>British Energy</b>	British Energy plc and its subsidiaries.
<b>British Energy Generation</b>	British Energy Generation Limited, the nuclear generating subsidiary of <b>British Energy</b> in England. One of the two <b>British Energy licence-holders</b> which were the subject of references to the <b>CC</b> .
<b>BNFL</b>	British Nuclear Fuels plc.
<b>BNFL Magnox</b>	Magnox Electric plc, the <b>BNFL</b> subsidiary which is the <b>licence-holder</b> for the operation of the <b>Magnox</b> power stations.
<b>Capacity payments</b>	Under the <b>Pool</b> , the capacity payment to <b>generators</b> is defined as the Value of Lost Load (see <b>VOLL</b> ) multiplied by the Loss of Load Probability (see <b>LOLP</b> ) less <b>SMP</b> . The payment is made to all <b>generators</b> for the capacity they declare available at the day-ahead stage for each half-hour of the following day and which is included in the <b>revised unconstrained schedule</b> . The level of payment is zero or small when declared availability is much higher than expected demand and only becomes significant when expected demand starts to approach available capacity.
<b>Cash-out price</b>	The price per <b>MWh</b> at which participants' energy imbalances will be settled under <b>NETA</b> . The System Buy Price will apply to participants on whose behalf the <b>system operator</b> will have to buy electricity and will be the volume-weighted average of accepted offers. The System Sell Price will apply to those on whose behalf the <b>system operator</b> will have to sell electricity and will be the volume-weighted average of accepted bids. There are a number of other detailed adjustments in the calculation of the prices.
<b>CC</b>	Competition Commission.
<b>CCGT</b>	Combined cycle gas turbine. A type of generating plant in which exhaust gases, typically from the combustion of natural gas, are used to drive a turbine directly and then routed through a boiler to produce steam to drive a second turbine.
<b>CEGB</b>	Central Electricity Generating Board.
<b>CfD</b>	Contract for differences. A financial <b>OTC</b> hedging contract. Such contracts are designed to reduce exposure to volatility in <b>Pool</b> prices and are typically made between a <b>generator</b> and an <b>electricity purchaser</b> . The contract is based on an agreed price or set of prices for electricity, and settlement between <b>generator</b> and <b>purchaser</b> is based on payment between the parties of the differences between the agreed price and (normally) the time-weighted <b>PPP</b> or <b>PSP</b> .
<b>CHP</b>	Combined heat and power.
<b>Competition Act</b>	Competition Act 1998.
<b>Constrained-off</b>	Under the <b>Pool</b> rules <b>gensets</b> which, despite their output being bid at a price equal to or lower than <b>SMP</b> , are instructed by <b>NGC</b> to limit or cease generation primarily as a result of constraints on the <b>transmission system</b> , the requirement to maintain a stable system or demand forecasting errors.

<b>Constrained-on</b>	Under the <b>Pool</b> rules <b>gensets</b> which, despite their output being bid at a price above <b>SMP</b> , are called on by <b>NGC</b> to operate primarily because of constraints on the <b>transmission system</b> , the requirement to maintain a stable system, demand forecasting errors or breakdowns of other <b>gensets</b> .
<b>Demand-weighted Pool price</b>	The demand-weighted <b>Pool</b> price for a given period is obtained by multiplying the price and demand for each half-hour slot, summing them, and dividing the sum by the total demand for the period. It is the price a <b>generator</b> would receive from the <b>Pool</b> over a period of time if its output profile was identical to <b>Pool</b> demand.
<b>DGES</b>	Director General of Electricity Supply.
<b>DGFT</b>	Director General of Fair Trading.
<b>Disappearance ratio</b>	Under the <b>Pool</b> , a measure of the reliability of a <b>genset</b> expressed as a probability that a <b>genset</b> which has been declared available the day before will actually be available on the day. In calculating <b>LOLP</b> , the disappearance ratio is applied to a <b>genset</b> 's maximum available capacity over the previous eight days to determine a measure of its expected actual availability. Under the existing <b>capacity payment</b> rules, available plant with a high disappearance ratio (ie a high probability of failure) will not significantly reduce <b>LOLP</b> . <b>Capacity payments</b> may therefore vary significantly depending on the mix of plant on the system. A plant's disappearance ratio is a function of its age and its performance. Older plants, commissioned before 1992, have fixed ratios which are generally low. Newly commissioned plant is assigned a ratio of one, ie a high disappearance ratio, on the assumption that the plant is totally unreliable. The plant's disappearance ratio will then typically fall over time as it demonstrates its reliability in operation, although disappearance ratios can rise or fall.
<b>Distribution system</b>	A system of electrical circuits, together with the associated electrical plant and meters, which conveys electricity from <b>grid</b> supply points on the <b>transmission system</b> to customers' premises.
<b>Drax</b>	The Drax coal-fired power station in Yorkshire, acquired by <b>AES Corporation</b> from <b>National Power</b> in December 1999. Owned by <b>AES Drax</b> .
<b>DTI</b>	Department of Trade and Industry.
<b>Eastern</b>	Eastern Electricity plc and its subsidiaries. Since 1998, a subsidiary of <b>TXU</b> .
<b>EdF</b>	Electricité de France.
<b>Edison</b>	Edison Mission Energy Limited and its subsidiaries.
<b>EFA</b>	Electricity Forward Agreement. A standard form of <b>CFD</b> traded between parties, usually via a screen-based trading system.
<b>Eggborough</b>	The Eggborough coal-fired station in Yorkshire, acquired by <b>British Energy</b> from <b>National Power</b> in March 2000.
<b>Eggborough Power</b>	Eggborough Power Limited. <b>Generation licence-holder</b> for <b>Eggborough</b> . One of the two <b>British Energy licence-holders</b> which were the subject of references to the <b>CC</b> .
<b>Electricity Act</b>	Electricity Act 1989.
<b>Electricity purchaser</b>	An undertaking which purchases electricity from the <b>Pool</b> . This may be a <b>generator</b> which purchases electricity to fulfil its obligations to customers, a large electricity customer which chooses to buy electricity directly from the <b>Pool</b> , an independent <b>supplier</b> of electricity or a <b>REC</b> 's supply business.

<b>Energy Contract Volume</b>	Under <b>NETA</b> , participants submit to settlement for each half-hour details of the contract cover in <b>MWh</b> that they have in place (by individual contract). The difference between participants' total Energy Contract Volume and their metered volume (that is their actual generation or consumption of electricity, adjusted for losses) determines their imbalance volume, which is settled at the appropriate <b>cash-out price</b> .
<b>Fair Trading Act</b>	Fair Trading Act 1973.
<b>FGD</b>	Flue gas desulphurization. A process used to reduce SO <sub>2</sub> emissions from fossil-fuelled power stations.
<b>Fifoots Point</b>	The Fifoots Point coal-fired station in South Wales, acquired by <b>AES Corporation</b> in 1998. Owned by <b>AES Fifoots Point</b> .
<b>Final Physical Notification</b>	Under <b>NETA</b> , the profile of generation or consumption that a party expects to generate or consume over a half-hour <b>settlement period</b> in the absence of any <b>Balancing Mechanism</b> acceptances by the <b>system operator</b> .
<b>Forward contract</b>	A contract, tailored to the requirements of the parties, for the future delivery of a commodity.
<b>FSA</b>	Financial Services Authority.
<b>FSM Act</b>	Financial Services and Markets Act 2000.
<b>Futures contract</b>	A standardized contract for the delivery of a specified quantity of a commodity at a specified time (or over a specified period) in the future. Such contracts are often traded on an investment exchange.
<b>Gate Closure</b>	Under <b>NETA</b> , the point, 3½ hours before the start of each <b>settlement period</b> by which contracts for that <b>settlement period</b> , excluding bids and offers into the <b>Balancing Mechanism</b> , must be notified to <b>NGC</b> .
<b>GEMA</b>	Gas and Electricity Markets Authority.
<b>Generation licence</b>	A licence granted under section 6 of the <b>Electricity Act</b> authorizing the generation of electricity for the purpose of giving a supply or enabling a supply to be given to any premises.
<b>Generator</b>	A person authorized to generate electricity by way of a licence or an exemption from the requirement for a licence. Also a machine for generating electricity.
<b>Genset</b>	Generating set. A <b>generator</b> and its associated equipment capable of generating electricity as a stand-alone unit. A power station may comprise one or more gensets.
<b>Gj</b>	Gigajoule: a billion joules. A joule is the standard (SI) unit of energy. In electrical applications, one joule equals one watt-second, and hence one watt-hour equals 3,600 joules. See also <b>power</b> .
<b>Grid</b>	The <b>transmission system</b> in England and Wales operated by <b>NGC</b> .
<b>GW</b>	Gigawatt. See <b>power</b> .
<b>GWh</b>	Gigawatt hour. See <b>power</b> .
<b>HHI</b>	Herfindahl Hirschman Index. A measure of industry concentration calculated as the sum of the squares of the percentage market shares of all suppliers in a given market.

<b>Indian Queens</b>	The Indian Queens <b>OCGT</b> power station in Cornwall, acquired by <b>AES Corporation</b> in June 1997. Owned by <b>AES Indian Queens</b> .
<b>Innogy</b>	Innogy plc. See <b>National Power</b> .
<b>Interconnector</b>	In this report, the electric lines, plant and meters used for the transmission of electricity to and from the <b>NGC transmission system</b> into or out of Scotland or France.
<b>IPP</b>	Independent power producer. A <b>generator</b> other than a privatized generator, <b>BNFL Magnox</b> or a <b>REC</b> (although an IPP may be partly-owned by, or have power purchase agreements with, <b>RECs</b> ).
<b>kV</b>	Kilovolt: 1,000 volts.
<b>kW</b>	Kilowatt. See <b>power</b> .
<b>kWh</b>	Kilowatt hour. See <b>power</b> .
<b>Licence-holder</b>	In this report, a company holding a licence permitting it to generate electricity in England and Wales.
<b>Load factor</b>	The electricity produced by a <b>genset</b> expressed as a percentage of the electricity which it could have produced if it had operated at its full net output capacity over a fixed period, usually one year. A <b>genset</b> operating at full capacity for half the time is said to have a 50 per cent load factor.
<b>LOLP</b>	Loss of load probability. Under the <b>Pool</b> , the LOLP, calculated on a half-hourly basis, reflects the probability that, given the demand forecast and the <b>generators'</b> offers and the uncertainty attached to these values, there will be insufficient plant available to meet demand.
<b>Magnox</b>	Magnesium Oxide Reactor. The earliest operational design of nuclear reactor in the UK.
<b>MALC</b>	Market abuse licence condition.
<b>Medway</b>	Medway Power Limited, an <b>IPP</b> in which <b>AES Corporation</b> has a 25 per cent share.
<b>Merchant output</b>	The output of a power station which is not covered by long-term contracts with purchasers.
<b>Merit order</b>	Ranking of <b>gensets</b> by <b>NGC</b> , primarily according to the prices at which they are offered into the <b>Pool</b> .
<b>Mid-merit generation</b>	See <b>baseload, non-baseload, mid-merit, peak-load generation</b> .
<b>Mothballing</b>	The temporary closure of a power station or <b>genset</b> .
<b>MW</b>	Megawatt. See <b>power</b> .
<b>MWh</b>	Megawatt hour. See <b>power</b> .
<b>National Power</b>	National Power PLC. One of the generating companies which were created in the reorganization of the <b>CEGB</b> in 1990 and privatized in March 1991. In October 2000 the company split into two parts, a UK company, <b>Innogy</b> , and an international company, International Power PLC.
<b>NECC</b>	National Electricity Consumers' Council. Body representing the interests of small consumers, comprising representatives of all 14 regional councils.

<b>NETA</b>	New electricity trading arrangements.
<b>NGC</b>	National Grid Company plc.
<b>Non-baseload generation</b>	See <b>baseload, non-baseload, mid-merit, peak-load generation</b> .
<b>OCGT</b>	Open cycle gas turbine. A type of generating plant in which exhaust gases, typically from the combustion of gas-oil, are used to drive a turbine to generate electricity before being expelled to the atmosphere.
<b>OFFER</b>	Office of Electricity Regulation. The organization established to support the <b>DGES</b> in the regulation of the electricity market before the formation of <b>Ofgem</b> .
<b>Ofgem</b>	Office of Gas and Electricity Markets, formed early in 1999 by the amalgamation of <b>OFFER</b> and the Office of Gas Supply (Ofgas).
<b>OFT</b>	Office of Fair Trading.
<b>OTC</b>	Over the counter. Term used to refer to electricity trading contracts which are negotiated directly between the parties concerned and where no broker or screen-based trading system is involved.
<b>Outage</b>	The planned withdrawal from service or unplanned non-availability of a <b>genset</b> or part of a <b>transmission</b> or <b>distribution system</b> for a period of time.
<b>Pass-through</b>	Resale at the price bought.
<b>Peak-load generation</b>	See <b>baseload, non-baseload, mid-merit, peak-load generation</b> .
<b>PEC</b>	Pool Executive Committee.
<b>PES</b>	Public Electricity Supplier. One of the 14 organizations holding a PES licence, including the 12 <b>RECs</b> in England and Wales.
<b>PES licence</b>	A licence granted under the <b>Electricity Act</b> to supply electricity as a <b>PES</b> to any premises within the area specified in the licence.
<b>Pool</b>	The Electricity Pool of England and Wales. The compulsory market for bulk trading between member <b>generator</b> s and <b>electricity purchaser</b> s according to a set of rules (the Pool rules) which governs the Pool's operation, the scheduling of plant, the setting of prices and the calculation of payments due to and from each member.
<b>Pooling and Settlement Agreement</b>	The multi-party contract between <b>Pool</b> members which defines the rules and procedures of the <b>Pool</b> .
<b>Power</b>	Power is the rate at which energy is used or produced. Electrical power is measured in watts (W). The electrical energy produced by electricity generation at a constant rate of 1W for 1 hour is 1 watt-hour (Wh). For larger quantities: 1 kilowatt (kW) = 1,000 W                      1 kilowatt-hour (kWh) = 1000 Wh 1 megawatt (MW) = 1,000 kW                  1 megawatt-hour (MWh) = 1,000 kWh 1 gigawatt (GW) = 1,000 MW                 1 gigawatt-hour (GWh) = 1,000 MWh 1 terawatt (TW) = 1,000 GW                 1 terawatt-hour (TWh) = 1,000 GWh
<b>Power exchange</b>	Short-term organized marketplace on which parties can buy or sell electricity contracts.
<b>Powergen</b>	Powergen plc. One of the generating companies which were created in the reorganization of the <b>CEGB</b> in 1990 and privatized in March 1991.

<b>PPP</b>	Pool purchase price. The price that forms the basis of payments to <b>generators</b> for sales of electricity through the <b>Pool</b> . PPP equals <b>SMP</b> plus <b>capacity payments</b> .
<b>PSP</b>	Pool selling price. The price that forms the basis of payments by <b>electricity purchasers</b> for purchases of electricity through the <b>Pool</b> . PSP equals <b>PPP</b> plus <b>Pool uplift</b> payments.
<b>Pumped-storage power station</b>	A power station which uses electricity to pump water into a high storage reservoir which is then released to turn turbines to generate electricity. This can be done at short notice in order to meet sudden increases in demand.
<b>PWR</b>	Pressurised Water Reactor. The most recent design of commercial nuclear reactor operating in the UK. Sizewell B, owned by <b>British Energy</b> , is the only nuclear power station in the UK using PWR technology.
<b>REC</b>	Regional electricity company. One of 12 <b>PES</b> s in England and Wales created on the privatization of the Area Electricity Boards in 1990/91 and given responsibilities for maintaining and operating the distribution system and for supplying electricity in a defined geographic area. Following development of the electricity market, some RECs have sold their electricity supply businesses. All such supply businesses, whether owned by the REC or others, have 'supplier of last resort' obligations in respect of their defined geographic territories.
<b>Revised unconstrained schedule</b>	See <b>SUPERGOAL</b> .
<b>RIE</b>	Recognized investment exchange. Term used in the <b>FSM Act</b>
<b>RPI</b>	Retail prices index.
<b>Scottish &amp; Southern</b>	Scottish and Southern Energy plc.
<b>Secretary of State</b>	Secretary of State for Trade and Industry.
<b>Section 36 consent</b>	One of the consents required under the <b>Electricity Act</b> for the construction, extension or operation of generating stations.
<b>Settlement period</b>	All <b>Pool</b> prices and <b>NETA cash-out prices</b> are calculated on a half-hourly basis. Each half-hour period is a settlement period.
<b>SMP</b>	System marginal price. This is calculated by <b>SUPERGOAL</b> by stacking the bids from the <b>generators</b> primarily in ascending order of price together with the quantity of electricity each station can generate. In general the price of the highest bid in the stack required to meet the estimated demand for the half-hour period concerned sets SMP. SMP plus <b>capacity payments</b> make up the <b>Pool</b> price paid for generation (ie <b>PPP</b> .)
<b>Strike price</b>	The price agreed between counterparties, usually a <b>generator</b> and an <b>electricity purchaser</b> , for a <b>Cfd</b> .
<b>SUPERGOAL</b>	A computerized scheduling system used by <b>NGC</b> which aims to produce an optimal minimum cost schedule, based on the offer prices and outputs of each <b>genset</b> bid into the <b>Pool</b> (but excluding any <b>system constraints</b> ). This produces a day-ahead forecast schedule called the unconstrained schedule. A revised unconstrained schedule is produced to reflect any changes in availability occurring on the day. <b>SUPERGOAL</b> replaced the original system, <b>GOAL</b> (Generation Ordering and Loading), in 1998.
<b>Supplier</b>	A person authorized to supply electricity by way of a licence or an exemption from the requirement for a licence. Includes both <b>PES</b> s and second-tier suppliers. Many <b>generator</b> s are part of corporate groups which also include suppliers.

<b>Supply licence</b>	A licence granted under section 6 of the <b>Electricity Act</b> authorizing the supply of electricity to consumers.
<b>System Buy Price</b>	See <b>cash-out price</b> .
<b>System constraints</b>	Limitations on the <b>transmission system</b> which are resolved by requiring <b>gensets</b> to be <b>constrained-off</b> and <b>constrained-on</b> . Also referred to as transmission constraints.
<b>System operator</b>	The entity that fulfils the role of operating the <b>transmission system</b> , including issuing instructions to <b>generators</b> or demand-side participants to change their level of output or demand respectively, and instructing the provision of <b>ancillary services</b> and other measures necessary to maintain a stable and secure system. This role in England and Wales is carried out by <b>NGC</b> .
<b>System Sell Price</b>	See <b>cash-out price</b> .
<b>Take-or-pay contract</b>	A contract which requires the purchaser to pay the contract price for a specified quantity of the product whether or not the purchaser accepts delivery.
<b>Time-weighted Pool price</b>	The time-weighted <b>Pool</b> price for a given period is the average price over the period, obtained by summing the price for each half-hour slot and dividing the sum by the number of half-hour slots. It is the price a <b>generator</b> would receive from the <b>Pool</b> over a period of time if its output was constant.
<b>Transmission system</b>	The high-voltage system of electrical circuits, together with the associated electrical plant and meters, which conveys electricity from power stations to <b>distribution systems</b> or large electricity customers via <b>grid</b> supply points. The system in England and Wales is owned and operated by <b>NGC</b> and regulated by the <b>DGES</b> as a monopoly.
<b>Transmission Network Use of System charges</b>	Regular charges which recover the cost of installing, operating and maintaining the <b>transmission system</b> from users of the system. <b>Generators</b> and <b>electricity purchasers</b> pay for the use of the <b>transmission system</b> . The transmission charges for generation are calculated annually by reference to the maximum capacity of individual generating stations, and for <b>electricity purchasers</b> are generally recovered on the basis of demand measured at <b>grid</b> supply points and averaged over three peak half-hours in any given year.
<b>Transmission Services Use of System charges</b>	Charges to meet the costs of <b>ancillary services</b> , which include response, reserve, black start (collectively known as Transmission Services Uplift) and reactive power (Reactive Power Uplift). These costs are initially paid for by <b>NGC</b> in the <b>Pool</b> and recovered by <b>NGC</b> (after the application of incentive schemes) from <b>suppliers</b> . These charges will be replaced under <b>NETA</b> by the <b>Balancing Services</b> Use of System charge, which will be charged to both <b>generators</b> and <b>suppliers</b> . See also <b>uplift</b> .
<b>TW</b>	Terawatt. See <b>power</b> .
<b>TWh</b>	Terawatt hour. See <b>power</b> .
<b>TXU</b>	TXU Europe Group plc.
<b>Unconstrained schedule</b>	See <b>SUPERGOAL</b> .
<b>Unscheduled availability payments</b>	Under the <b>Pool</b> , payments made to <b>generators</b> by <b>NGC</b> for actual availability that has not been scheduled for generation in the <b>revised unconstrained schedule</b> . Unscheduled availability payments equal actual level of availability multiplied by <b>LOLP</b> multiplied by <b>VOLL</b> minus the greater of <b>genset</b> bid price and <b>SMP</b> .

<b>Uplift</b>	There are three main components of uplift: Pool Uplift is the difference between <b>PPP</b> and <b>PSP</b> , and represents the costs incurred by <b>NGC</b> in redespaching generators in the <b>Pool</b> to achieve energy balance; Transmission Services Uplift is the cost incurred by <b>NGC</b> in procuring <b>ancillary services</b> (other than reactive power) and in redespaching generation to resolve transmission constraints; Reactive Power Uplift is the cost incurred by <b>NGC</b> in procuring reactive power. The costs of Transmission Services Uplift and Reactive Power Uplift are recovered through the <b>Transmission Services Use of System charge</b> .
<b>Utilities Act</b>	Utilities Act 2000.
<b>Vesting</b>	The date, 31 March 1990, when the assets and liabilities of the <b>CEGB</b> were vested in the new corporate entities set up in the reorganization of the electricity industry in preparation for privatization.
<b>VOLL</b>	Value of lost load. A measure of the price that customers are deemed to be willing to pay to avoid a loss of supply. Its value was set by <b>OFFER</b> when the <b>Pool</b> was established and is increased each year by the annual rate of inflation ( <b>RPI</b> ).