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27 th November 2006

Dear Julian

Representation for Modification Proposal 104 "Storage Information at LNG Importation Facilities"

Thank you for your invitation seeking representation with respect to the above Modification Proposal.

National Grid NTS is neutral in relation to the implementation of this Modification Proposal.

Whilst in general National Grid NTS recognises the importance of the disclosure of information to the market, in respect of this particular proposal the benefits associated with publication are not obvious to us. Additional we feel it is useful to point out that currently National Grid NTS has no contractual rights to receive stock information from any LNG Importation Facilities other than information received from the Isle of Grain facility. The Isle of Grain information is required by ourselves because we have a contracted quantity of gas held for use as operational margins gas and therefore we need the facility operator to regularly confirm that this quantity of gas is available to us. National Grid NTS does not currently have any contractual or operational requirement to obtain the stock information from any other LNG Importation Facility (including those not yet commissioned) and therefore, unless such information is provided voluntarily by the LNG Facility operators, it will be the Isle of Grain figures only which will form the aggregate physical LNG in storage level being published.

For information the systems costs associated with the implementation of the Proposal to publish the storage information on National Grid's website are currently estimated to be £55,000 and would require approximately 12 weeks to implement following Ofgem's decision.

Yours sincerely

Chris Logue