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5th July 2010

Dear Colleague

Rolling Monthly Transfer & Trade System Entry Capacity

Invitation to participate in the RMTNTSEC auction for capacity period August 2010

Pursuant to TPD Section B2.3.10 of the Uniform Network Code, National Grid Gas plc invites you to take part in the Rolling Monthly Transfer & Trade System Entry Capacity (RMTNTSEC) auction for the capacity period August 2010.

National Grid will conduct the auction on:

Monday 12th July 2010

The auction window will commence at 08:00 and close at 17:00 on the same calendar day. An RMTNTSEC bid may be withdrawn or amended until, but not after 17:00.

The auction on this date will be held to allocate capacity for the following Capacity period:

August 2010

The amount of capacity to be offered for each Aggregate System Entry Point (ASEP) will be 100% of the unsold NTS Obligated Firm Entry Capacity plus any Firm Entry Capacity surrendered in the Surrender (Trade Initiation) (RMTISSEC) process. This total capacity is termed the Available Capacity. The ASEPs where Available Capacity is to be offered, together with the unsold NTS Obligated Firm Entry Capacity for those ASEPs, are shown in the attached Tables 2 and 3. The Initial Stage and Trade and Transfer stage of the auction are both pay as bid and the reserve prices that apply are specified in Table 4. Any unsatisfied bids after allocation of the Initial Stage (i.e. where bid quantity exceeds Available Capacity) will be analysed as part of the Transfer and Trade stage and allocations will be carried out subject to the relevant provisions of TPD Section B2.3 and the Entry Capacity Trade and Transfer Methodology Statement.

User allocations for the whole process (for the avoidance of doubt this includes the Initial Stage and the Transfer and Trade Stage) will be communicated no later than three business days prior to the last business day of July 2010.

Following RMTNTSEC capacity allocation National Grid NTS will publish the aggregate information for each ASEP on the Entry Capacity Auction Publications area of the National Grid Gas website.

This can be accessed using the following link:

<http://marketinformation.natgrid.co.uk/Gas/CapacityReports.aspx> (select Rolling Monthly System Entry Capacity as Auction Type and Allocation Results as Report Type)

The RMTNTSEC auction will be conducted in Gemini and any bids for NTS Firm Entry Capacity should be made using the **Deal>Capture>Create Bids** screen using **RMTNTSEC** as the Method of Sale. Please be aware that if you wish to check your allocations from the February 2010 AMSEC auction prior to bidding in the RMTNTSEC auction you should navigate to the following screen **Deal>Bid Capture Reports>Bid Information** screen in Gemini.

Please note that this message is being sent by e-mail via the Joint Office of Gas Transporters and web-fax (business hours operational list). An Automated Notification Service (ANS) message will also be issued informing users that the invitation has been published.

If you have any queries regarding the RMTNTSEC auction process please contact Diana Dai or myself on +44 (0)1926 65 4057. Alternatively you can e-mail the capacity team regarding any long term capacity issues at capacityauctions@uk.ngrid.com

If you have any queries pertaining to the Daily Auctions, please contact Melissa Albray or Navraj Dosanjh on +44 (0)1926 65 6568.

Yours sincerely

Dave Wagstaff
Network Operations
National Grid

TABLES

**Table 1 - Aggregate Rolling Transfer & Trade Monthly System Entry Capacity (kWh/d)
(Unallocated and Surrendered NTS Firm Entry Capacity)**

	Aggregate Available Capacity
August 2010	6,191,717,612

**Table 2 - Rolling Monthly Transfer & Trade System Entry Capacity (kWh/d)
(Unsold Obligated NTS Firm Entry Capacity)**

ASEP	Short Code	August 2010
Avonmouth LNG	AV	179,300,000
Bacton	BA	1,537,055,645
Burton Point	BP	29,500,000
Barrow	BR	210,800,000
Barton Stacey	BS	82,600,000
Cheshire	CH	114,700,000
Dynevor Arms LNG	DA	49,000,000
Easington	EA	986,855,988
Glenmavis LNG	GM	99,000,000
Garton	GR	0
Hole House Farm	HH	0
Hatfield Moor Onshore	HM	300,000
Hornsea	HS	233,100,000
Hatfield Moor Storage	HT	25,000,000
Isle of Grain	IG	150,840,000
Milford Haven	MH	299,000,000
Partington LNG	PR	215,000,000
St. Fergus	SF	1,173,145,668
Teesside	TE	267,752,867
Theddlethorpe	TH	530,567,444
Wytch Farm	WF	2,800,000

**Table 3 - Rolling Monthly Transfer & Trade System Entry Capacity (kWh/d)
(Surrendered NTS Firm Entry Capacity)**

ASEP	Short Code	Surrendered Qty greater than Reserve Price	Surrendered Qty equal to Reserve Price	Surrendered Qty less than Reserve Price	Total Surrendered Quantity
Easington	EA	0	0	5,400,000	5,400,000

Table 4 - Reserve Prices for Rolling Monthly Transfer & Trade System Entry Capacity (p/kWh/d)

ASEP	Short Code	p/kWh
Avonmouth LNG	AV	0.0001
Bacton	BA	0.0089
Burton Point	BP	0.0001
Barrow	BR	0.0044
Barton Stacey	BS	0.0001
Cheshire	CH	0.0001
Dynevor Arms LNG	DA	0.0001
Easington	EA	0.0111
Glenmavis LNG	GM	0.0138
Garton	GR	0.0120
Hole House Farm	HH	0.0001
Hatfield Moor Onshore	HM	0.0045
Hornsea	HS	0.0110
Hatfield Moor Storage	HT	0.0045
Isle of Grain	IG	0.0001
Milford Haven	MH	0.0199
Partington LNG	PR	0.0001
St. Fergus	SF	0.0385
Teesside	TE	0.0103
Theddlethorpe	TH	0.0091
Wytch Farm	WF	0.0001