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Monday 22nd December 2014

Dear Colleague

Annual Monthly System Entry Capacity (AMSEC) Surrender Auction

Invitation to participate in the Surrender Process for EU Interconnection Points for Capacity period April 2015 to September 2016

Pursuant to TPD Section B Annex B-3 of the Uniform Network Code, National Grid Gas plc ("National Grid") invites you to take part in the 2015 Monthly NTS Entry Capacity surrender process for EU Interconnection Points (IP's) at the following IP:

Bacton ASEP

The provisions of the Uniform Network Code (including in particular, but not limited to, TPD Section B and Annex B-3) apply to this invitation, and also the 2015 Annual Monthly System Entry Capacity (AMSEC) auction for Monthly System Entry Capacity (MSEC), any bids made and rejected pursuant to such auction, and any subsequent allocation of surrendered capacity, at an IP, via this surrender process.

Please refer to the Joint Office website (<http://www.gasgovernance.co.uk/livemods>) with regards to any outstanding modification which may affect capacity during the transaction period specifically, I would draw your attention to modification UNC0501 (and all alternate modifications 0501A, 0501B and 0501C) – Treatment of Existing Entry Capacity Rights at the Bacon ASEP to comply with EU Capacity regulations.

National Grid will conduct the surrender process for the IP on the following dates:

Monday 5th January 2015

Tuesday 6th January 2015

Wednesday 7th January 2015

Thursday 8th January 2015

Friday 9th January 2015

Each day of the surrender window will commence at 08:00 and close at 17:00 on the same calendar day. Each surrender offer may be withdrawn or amended until, but not after, 17:00 on each day. Users may submit one surrender offer per surrender period or one surrender offer for multiple surrender periods per IP but may have no more than one surrender offer applicable to any one surrender period. For the purposes of this surrender process each surrender period will be one calendar month.

Users are invited to submit Monthly NTS Entry Capacity surrender offers in kWh/day (but not for a quantity less than 100,000kWh/day) up to an aggregate amount not exceeding their Firm NTS Entry Capacity entitlement at the IP for that month. If these criteria are not met the surrender offer will be rejected.

All surrender offer(s) must be submitted via facsimile and each surrender offer will be time stamped. Where surrender offers are subsequently accepted this will be in order of time stamp i.e. surrender offers will be taken based on the time and date that they were received by National Grid with the earliest received taken first. Please note that National Grid will only accept a surrender offer for a surrender period where the quantity of unsold NTS Entry Capacity made available in the AMSEC Auction is exceeded by the aggregate capacity bid quantities received.

Surrender offers are to be sent via the following facsimile number:

Direct fax: +44 (0)1926 654059

Each surrender offer will specify:

- The identity of the User
- The IP
- The amount of System Capacity subject to the surrender offer (which will not be less than the minimum surrender amount of 100,000kWh/day)
- The minimum amount which the User is willing to surrender (which will not be less than the minimum surrender amount of 100,000kWh/day)
- The surrender period or surrender periods (where more than one surrender period is specified such periods need not be consecutive)

A proforma for the submitting of surrender offers is contained within Appendix 1.

Any surrender offer made will be taken as confirmation that sufficient NTS System Entry Capacity is held by the User.

Users will be informed of the aggregate quantity of NTS Entry Capacity that has been offered for surrender, for each surrender period, within the 2015 annual invitation for Monthly NTS Entry Capacity (AMSEC auction invitation).

Monthly NTS Entry Capacity surrender offers will be accepted or rejected after all four of the AMSEC auction bid windows have closed. National Grid may accept all or part of any surrender amount, subject to minimum amount criteria, and Users will be informed of the quantity of any surrender amount that has been allocated following completion of the Monthly System Entry Capacity ("MSEC") process but no later than 30th March 2015.

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.

Words and expressions which are capitalised but not defined in this invitation notice but which are defined in the UNC shall have the meanings given to them in the UNC document.

If you have any queries regarding this auction process please contact a member of the capacity auctions team or myself on +44 (0)1926 65 4057. Alternatively you can e-mail the capacity team regarding any capacity issues at capacityauctions@nationalgrid.com

Yours Faithfully,

Helen Bennett
Market Operation
National Grid

APPENDIX 1

Surrender of Entry Capacity under Congestion Management Procedures

Capacity Team, Warwick	Tel: 01926 65 4057	Fax: 01926 65 4059
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Auction:	MSEC	AUCTION TRANSACTION PERIOD	01 Apr 2015 to 30 Sep 2016
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BA Code: (i.e. Gemini 3 letter code) _____ **Shipper Name** _____

confirm that the following firm entitlements are being offered for surrender at Bacton ASEP IP in accordance with UNC Transportation Principle Document Section B Annex B3.
 To withdraw or amend existing Surrender offers for a particular sub-transaction period then please send a new form with the new quantities for each relevant sub-transaction period. (Quantity of 0 for withdrawal).

Interconnection Point (IP) ASEP ID	Sub-transaction period start date	Sub-transaction period end date	Surrender Offer Quantity (kWh/d)	Minimum Surrender Amount (kWh/d)

Fax Originated By		Fax Received By	
Company		On Behalf Of	National Grid
Signature		Signature	
Position		Position	
Date		Date	
Tel No		Tel No	
Fax No		Fax No	01926 65 4059

Please note: Illegibility and/or failure to complete the proforma correctly will result in NON input of data and the return of the form to the originator

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