nationalgrid

National Grid House

Warwick Technology Park Gallows Hill, Warwick CV34 6DA

National Gas Emergency Service - 0800 111 999* (24hrs) *calls will be recorded and may be monitored

Stephen Carey Market Operation

capacityauctions@nationalgrid.com

Direct tel: +44 (0)1926 654057 Direct fax: +44 (0)1926 654059

www.nationalgrid.com

Wednesday 18th December 2013

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 2014 to September 2015

Following implementation of UNC modification 0449 and 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 2014 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, the 2014 Annual Monthly System Entry Capacity (AMSEC) auction for MSEC, any bids made and rejected pursuant to such auction, and any subsequent allocation of surrendered capacity, at an IP, via this surrender process.

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

Monday 6th January 2014 Tuesday 7th January 2014 Wednesday 8th January 2014 Thursday 9th January 2014 Friday 10th January 2014

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 Each surrender offer may be withdrawn or amended until, but not after, 17:00 on each day.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 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 relevant System Capacity which for this surrender process will be Monthly NTS Entry Capacity
- 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 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 2014 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 two business days prior to the 1st April 2014.

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.

For avoidance of doubt, expressions used within this Invitation Letter should be interpreted as having the same meaning as per the UNC Document.

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

Yours Faithfully,

Stephen Carey 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
Auction:	MSEC		Auction Transaction Period	01 Apr 2014 to 30 Sep 2015

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

National Grid Gas plc. Registered in England. No 2006000. Registered Office 1-3, Strand, London, WC2N 5EH