

Dear JO,

At the Transmission Workstream meeting held on 2nd October National Grid NTS took an action, TR1101, to assess the anticipated costs in respect of Modification Proposal 0219: Publication of UK Wholesale Gas Market Liquidity Data.

To fulfil this action we engaged with our IS department and the MIPI project team, to obtain a Rough Order of Magnitude (ROM) estimate of the costs involved in implementing this Modification Proposal. We requested them to look at two separate ways to deliver this proposal

- 1) delivering the new data items and reports proposed in the Proposal by changing the existing IE3/MIPI (P1) system and,
- 2) by incorporating the changes into the existing MIPI Phase 2 Development Project.

The costs and timescales for delivery of each option are:

	Option 1 (Amend Existing IE3/MIPI P1)	Option 2 (Amend MIPI P2)
Cost ⁽¹⁾	Circa £125,500	Circa £37,000
Timescale	20 to 28 weeks to build	Incorporate into existing timeline (Q4 2009)

Note 1: Please note that if option 1 is the directed option then the total costs will be circa £125,500 plus a portion of the costs for option 2. This is because certain changes will also be required to the MIPI P2 system to reflect the changes implemented to the phase one system.

Assuming that a direction to implement the Modification Proposal is received from the Authority by the end of December 2008 Option 1 could possibly be delivered in Q3 2009. Option 2 could be delivered in line with the existing MIPI P2 delivery timeline, i.e. in Q4 2009.

Regards

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