

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

Sarah J Wheeler Capacity Auction Analyst Commercial Operations System Operator National Grid

capacityauctions@nationalgrid.com

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

www.nationalgrid.com

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Dear Colleague

Annual Monthly System Entry Capacity (AMSEC) Auction

Invitation to Participate in an Auction for the Capacity Period April 2017 to September 2018

Pursuant to Section B2.2.1 (b) of the Transportation Principal Document (TPD) of the Uniform Network Code (UNC), National Grid Gas plc ("National Grid") in its role as holder of the Gas Transporter Licence in respect of the NTS (the "Licence") invites you to take part in the 2017 Annual Monthly System Entry Capacity (AMSEC) auction for Monthly System Entry Capacity (MSEC).

The provisions of the UNC (including in particular, but not limited to, TPD Section B) apply to this invitation letter, the 2017 AMSEC auction for MSEC, any bids made and then rejected or accepted pursuant to such auction and any subsequent allocation of MSEC. Words and expressions which are capitalised but not defined in this invitation letter but which are defined in the UNC shall have the meanings given to them in the UNC.

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.

Users may make applications for MSEC for each calendar month for the capacity period 1st April 2017 to 30th September 2018 (inclusive).

National Grid will conduct the AMSEC auction on the invitation dates listed below:

•	Monday	13 th February 2017	(Tranche 1)
•	Thursday	16 th February 2017	(Tranche 2)
•	Tuesday	21 st February 2017	(Tranche 3)
•	Friday	24 th February 2017	(Tranche 4)

On each date detailed above, the auction window will commence at 08:00 and close at 17:00. An MSEC bid may be withdrawn or amended until, but not after 17:00. Allocations will be published to Users by 09:00 hours on the first Business Day following each invitation date.

The quantity of MSEC being offered for each month in the Capacity Period in respect of each Aggregate System Entry Point (ASEP) is shown in Table One attached to this invitation letter. This has been calculated in accordance with paragraph 69 of the Entry Capacity Release Methodology Statement V3.0 effective from 1st November 2015. For each ASEP for each month the quantity of Firm NTS Entry Capacity that National Grid is obliged to make available for sale is:

Non-incremental Obligated Entry Capacity; plus
Legacy Incremental Entry Capacity; plus
Funded Incremental Obligated Entry Capacity; minus
All previously sold Firm NTS Entry Capacity (but excluding any previously sold
Non-obligated Entry Capacity); minus
All Reserved Entry Capacity.

In each of the first three tranches of the AMSEC auction, the amount of capacity offered will be 25% of the total MSEC being offered. In the fourth tranche the remaining 25% of total MSEC being offered will be offered for sale, together with any unsold from the previous three tranches.

Reserve prices apply for the AMSEC auction. The reserve prices are published in Table 4 of The Statement of Gas Transmission Transportation Charges, effective from 1st October 2016 and can be viewed via http://www2.nationalgrid.com/UK/Industry-information/System-charges/Gas-transmission/Charging-Statements/

Please note: There are different reserve prices for two separate delivery periods 1st Apr 2017 to 30th Sep 2017 and 1st Oct 2017 to 30th Sep 2018 within this AMSEC transaction period.

Following the close of each tranche, National Grid will publish the following information detailed below for each ASEP, for each month, on the National Grid website via http://www2.nationalgrid.com/uk/industry-information/gas-transmission-system-operations/capacity/entry-capacity-auction/

- Weighted average price of all accepted bids
- Weighted average price of highest 50% of accepted bids
- Aggregate volume of allocated MSEC
- Total amount of revenue derived in respect of allocated MSEC
- · Highest and lowest bids accepted
- Volume allocated at highest and lowest prices
- Total number of shippers who submitted successful capacity bids
- Total number of shippers who submitted unsuccessful capacity bids
- The amount of MSEC which remains unsold (if any) following the allocation.

This information can be found by selecting the following criteria:

Auction Type: Annual Monthly System Entry Capacity;

Report Type: Results (by Tranche);

From: April 2017; To: September 2018

UNC and Licence changes may occur at any time, which may increase or decrease capacity rights, or availability. Users are advised to keep themselves up to date with any regime changes.

Please note that this invitation is being sent by e-mail via the Energy Network Association and by webfax (business hours operational list) and will be posted on the National Grid website (http://marketinformation.natgrid.co.uk/Gas/CapacityReports.aspx). The fax delivery notification audit report will be considered as evidence of receipt. An ANS message will also be issued informing users that the invitation has been issued.

National Grid has put this document together with due care and attention. In the unlikely event of an error, National Grid reserves its right to correct the error and amend relevant elements of the auction as required.

If you have any queries with regards to entry capacity, the auction mechanism, Gemini or information provision then please do not hesitate to contact the capacity auctions team on +44 (0)1926 65 4057. Alternatively you can e-mail the capacity team regarding any capacity issues at capacityauctions@nationalgrid.com.

Yours faithfully,

Sarah J Wheeler Capacity Auction Analyst Commercial Operations System Operator National Grid

Table One – Available Monthly System Entry Capacity (kWh/d)

Month	Avonmouth	Bacton UKCS	Burton Point	on Point Barrow	Barton Stacey	Canonbie
	(AV)	(BU)	(BP)	(BR)	(BS)	(CB)
Apr-17	179,300,000	421,333,563	35,543,497	272,866,310	82,600,000	-
May-17	179,300,000	421,333,563	35,543,497	272,866,310	82,600,000	-
Jun-17	179,300,000	421,333,563	35,543,497	272,866,310	82,600,000	-
Jul-17	179,300,000	424,030,702	37,733,091	262,600,745	82,600,000	-
Aug-17	179,300,000	424,030,702	37,733,091	262,600,745	82,600,000	-
Sep-17	179,300,000	424,030,702	37,733,091	262,600,745	82,600,000	-
Oct-17	179,300,000	92,170,562	39,862,167	255,964,170	82,600,000	-
Nov-17	179,300,000	92,170,562	39,862,167	255,964,170	82,600,000	-
Dec-17	179,300,000	92,170,562	39,862,167	255,964,170	82,600,000	-
Jan-18	179,300,000	-	41,846,423	191,700,000	82,600,000	-
Feb-18	179,300,000	-	41,846,423	191,700,000	82,600,000	-
Mar-18	179,300,000	-	41,846,423	191,700,000	82,600,000	-
Apr-18	179,300,000	424,595,515	43,097,911	286,955,832	82,600,000	-
May-18	179,300,000	424,595,515	43,097,911	286,955,832	82,600,000	-
Jun-18	179,300,000	424,595,515	43,097,911	286,955,832	82,600,000	-
Jul-18	179,300,000	427,295,515	44,220,664	289,788,304	82,600,000	-
Aug-18	179,300,000	427,295,515	44,220,664	289,788,304	82,600,000	-
Sep-18	179,300,000	427,295,515	44,220,664	289,788,304	82,600,000	-

Month	Cheshire	Caythorpe	Dynevor Arms	Easington	Fleetwood	Glenmavis
	(CH)	(CT)	(DA)	(EA)	(FL)	(GM)
Apr-17	28,590,000	-	49,000,000	1,092,746,355	650,000,000	99,000,000
May-17	28,590,000	-	49,000,000	1,092,746,355	650,000,000	99,000,000
Jun-17	28,590,000	-	49,000,000	1,092,746,355	650,000,000	99,000,000
Jul-17	28,590,000	-	49,000,000	1,100,646,355	650,000,000	99,000,000
Aug-17	28,590,000	-	49,000,000	1,100,646,355	650,000,000	99,000,000
Sep-17	28,590,000	-	49,000,000	1,100,646,355	650,000,000	99,000,000
Oct-17	28,590,000	-	49,000,000	328,635,379	650,000,000	99,000,000
Nov-17	28,590,000	-	49,000,000	328,635,379	650,000,000	99,000,000
Dec-17	28,590,000	-	49,000,000	328,635,379	650,000,000	99,000,000
Jan-18	28,590,000	-	49,000,000	106,200,000	650,000,000	99,000,000
Feb-18	28,590,000	-	49,000,000	106,200,000	650,000,000	99,000,000
Mar-18	28,590,000	-	49,000,000	106,200,000	650,000,000	99,000,000
Apr-18	28,590,000	-	49,000,000	1,113,135,852	650,000,000	99,000,000
May-18	28,590,000	-	49,000,000	1,113,135,852	650,000,000	99,000,000
Jun-18	28,590,000	-	49,000,000	1,113,135,852	650,000,000	99,000,000
Jul-18	28,590,000	-	49,000,000	1,120,535,852	650,000,000	99,000,000
Aug-18	28,590,000	-	49,000,000	1,120,535,852	650,000,000	99,000,000
Sep-18	28,590,000	-	49,000,000	1,120,535,852	650,000,000	99,000,000

Month	Garton	Hole House Farm	Hatfield Moor Onshore	Hornsea	Hatfield Moor Storage	Isle of Grain LNG
	(GR)	(HH)	(HM)	(HS)	(HT)	(IG)
Apr-17	-	13,160,000	300,000	233,100,000	25,000,000	147,080,000
May-17	-	13,160,000	300,000	233,100,000	25,000,000	147,080,000
Jun-17	1	13,160,000	300,000	233,100,000	25,000,000	147,080,000
Jul-17	1	13,160,000	300,000	233,100,000	25,000,000	147,080,000
Aug-17	1	13,160,000	300,000	233,100,000	25,000,000	147,080,000
Sep-17	-	13,160,000	300,000	233,100,000	25,000,000	147,080,000
Oct-17	-	13,160,000	300,000	35,000,000	25,000,000	35,380,000
Nov-17	-	13,160,000	300,000	35,000,000	25,000,000	35,380,000
Dec-17	-	13,160,000	300,000	35,000,000	25,000,000	35,380,000
Jan-18	-	13,160,000	300,000	27,310,000	3,000,000	35,380,000
Feb-18	1	13,160,000	300,000	27,310,000	3,000,000	35,380,000
Mar-18	-	13,160,000	300,000	27,310,000	3,000,000	35,380,000
Apr-18	1	13,160,000	300,000	233,100,000	25,000,000	77,080,000
May-18	1	13,160,000	300,000	233,100,000	25,000,000	77,080,000
Jun-18	-	13,160,000	300,000	233,100,000	25,000,000	77,080,000
Jul-18	-	13,160,000	300,000	233,100,000	25,000,000	77,080,000
Aug-18	-	13,160,000	300,000	233,100,000	25,000,000	77,080,000
Sep-18	-	13,160,000	300,000	233,100,000	25,000,000	77,080,000

Month	Milford Haven	Partington	St. Fergus	Teesside	Theddlethorpe	Wytch Farm
	(MH)	(PR)	(SF)	(TE)	(TH)	(WF)
Apr-17	147,000,000	215,000,000	1,585,894,385	300,373,906	583,967,718	3,300,000
May-17	147,000,000	215,000,000	1,585,894,385	300,373,906	583,967,718	3,300,000
Jun-17	147,000,000	215,000,000	1,585,894,385	300,373,906	583,967,718	3,300,000
Jul-17	147,000,000	215,000,000	1,597,057,559	302,121,496	582,467,718	3,300,000
Aug-17	147,000,000	215,000,000	1,597,057,559	302,121,496	582,467,718	3,300,000
Sep-17	147,000,000	215,000,000	1,597,057,559	302,121,496	582,467,718	3,300,000
Oct-17	-	215,000,000	1,216,496,386	293,942,927	586,771,330	3,300,000
Nov-17	-	215,000,000	1,216,496,386	293,942,927	586,771,330	3,300,000
Dec-17	-	215,000,000	1,216,496,386	293,942,927	586,771,330	3,300,000
Jan-18	-	215,000,000	1,225,266,512	320,798,004	594,900,000	3,300,000
Feb-18	-	215,000,000	1,225,266,512	320,798,004	594,900,000	3,300,000
Mar-18	-	215,000,000	1,225,266,512	320,798,004	594,900,000	3,300,000
Apr-18	147,000,000	215,000,000	1,625,443,167	335,239,407	596,600,000	3,300,000
May-18	147,000,000	215,000,000	1,625,443,167	335,239,407	596,600,000	3,300,000
Jun-18	147,000,000	215,000,000	1,625,443,167	335,239,407	596,600,000	3,300,000
Jul-18	147,000,000	215,000,000	1,639,843,167	336,000,007	597,500,000	3,300,000
Aug-18	147,000,000	215,000,000	1,639,843,167	336,000,007	597,500,000	3,300,000
Sep-18	147,000,000	215,000,000	1,639,843,167	336,000,007	597,500,000	3,300,000