

Stuart Cook
Director Transmission
Ofgem
9 Millbank
London
SW1P 3GE

Nigel Fox
Charging and Revenue Manager

nigel.fox@uk.ngrid.com
Direct tel +44 (0)1926 656823

www.nationalgrid.com

27th February 2009

Dear Stuart,

Constrained LNG Credits from 1st May 2009

In accordance with our Licence and Uniform Network Code obligations, National Grid is hereby giving two months' notice that the transportation credits applicable in respect of constrained LNG (CLNG) sites with effect from 1 May 2009 will be as follows:

	Credit Rate based on Capacity	Credit Rate based on Annual Shipper Storage Space Volume
	Pence per peak day kWh per day	p/kWh
Avonmouth	0.0041	0.3213

The CLNG credit rate is based on the implementation of Pricing Consultation GCM14 'Constrained LNG Credits'. Supporting information is given in the table below.

	Units	Value	Calculation
Total Space Available	GWh	860.4	A
Operating Margin (OM) Space	GWh	194.5	B
Total Deliverability per day	GWh/d	143.0	C
Maximum CLNG Deliverability Requirement	GWh	44.403	D
Space Monitor Requirement	GWh	44.403	E
Forecast Maximum Duration	Days	1	F
Peak CLNG as % of Available Deliverability	%	31.05%	G = D / C
Exit LRMC at Avonmouth at April 2009	p/pdkwh/d	0.0132	H
CLNG Credit 1 May 2009 based on capacity	p/pdkwh/d	0.0041	I = H * G
Annual discount	£'s	2,139,337	J = I * D * 10000 * 365
Pence per unit of Registered Storage Space excluding OM	p/kWh	0.3213	K = J * 100 / (1000000 * (A - B))

If you have any questions about this notice, or NTS charges in general please contact myself or Karin Elmhirst on 01926 655540.

Yours sincerely,



Nigel Fox
Charging and Revenue Manager
UK Transmission – Commercial
National Grid