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National Gas Emergency Service - 0800 111 999* (24hrs)

*calls will be recorded and may be monitored

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Dear Colleague

A fault has been experienced on the Gemini system which meant that the quantities of firm capacity released in the day-ahead and within-day entry capacity auctions at Easington, Cheshire and Fleetwood were below the obligated level for a number of days in April and May. The details of the days and quantities affected are given in the tables at the end of this letter.

Once we became aware of the issue we acted as quickly as possible to understand the problem and put in place a temporary workaround to enable the correct quantities of capacity to be released. A system fix was implemented in early June and we are continuing to monitor the quantities of capacity being released to confirm its effectiveness.

The main impact has been at Easington where zero-priced bids for within-day firm capacity were pro-rated on many of the affected days due to the reduced quantity being made available. Our analysis of the quantities bid for and allocated during this period indicates that there have been a small number of priced bids for capacity at Easington that have been allocated after the clearing allocation at 07:00, and one instance of an overrun, which might not have occurred had the correct quantities been released. The total value of these transactions is less than £150.

We believe that the number of shippers directly affected by this issue is relatively small. I will be contacting these shippers over the next few days, to discuss with them how best to address any concerns. If you believe you have been affected by this issue and you are not contacted then please contact me using the details at the top of this letter.

A thorough investigation has been carried out to identify the root causes of the system fault. We are now undertaking a review of the Gemini system to ensure that there are no other instances where these root causes could be replicated and lead to a similar incident in the future.

We will look to provide an update at the next Transmission workgroup meeting on 7th August and will be happy to answer any questions raised at that session.

Yours faithfully

Jon Dutton NTS Capacity Manager Market Operation National Grid

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Table 1 - Gas days for which the full obligated quantity was not released at the Cheshire (CH) ASEP in the firm day-ahead entry capacity auction (DADSEC)

| Gas Day | Obligated release quantity (kWh) | Quantity actually released (kWh) |
|-----------|----------------------------------|----------------------------------|
| 03-Apr-14 | 140,243,200 | 114,700,000 |
| 04-Apr-14 | 140,243,200 | 114,700,000 |
| 05-Apr-14 | 140,243,200 | 114,700,000 |
| 06-Apr-14 | 140,243,200 | 114,700,000 |
| 07-Apr-14 | 140,243,200 | 114,700,000 |
| 08-Apr-14 | 140,243,200 | 114,700,000 |
| 09-Apr-14 | 140,243,200 | 114,700,000 |
| 10-Apr-14 | 140,243,200 | 114,700,000 |
| 11-Apr-14 | 140,243,200 | 114,700,000 |
| 12-Apr-14 | 140,243,200 | 114,700,000 |
| 13-Apr-14 | 140,243,200 | 114,700,000 |
| 14-Apr-14 | 140,243,200 | 114,700,000 |
| 15-Apr-14 | 140,243,200 | 114,700,000 |
| 16-Apr-14 | 140,243,200 | 114,700,000 |
| 17-Apr-14 | 140,243,200 | 114,700,000 |
| 18-Apr-14 | 140,243,200 | 114,700,000 |
| 19-Apr-14 | 140,243,200 | 114,700,000 |
| 20-Apr-14 | 140,243,200 | 114,700,000 |
| 21-Apr-14 | 140,243,200 | 114,700,000 |
| 22-Apr-14 | 140,243,200 | 114,700,000 |
| 23-Apr-14 | 140,243,200 | 114,700,000 |
| 24-Apr-14 | 140,243,200 | 114,700,000 |
| 25-Apr-14 | 140,243,200 | 114,700,000 |
| 26-Apr-14 | 140,243,200 | 114,700,000 |
| 27-Apr-14 | 140,243,200 | 114,700,000 |
| 28-Apr-14 | 140,243,200 | 114,700,000 |
| 29-Apr-14 | 140,243,200 | 114,700,000 |
| 30-Apr-14 | 140,243,200 | 114,700,000 |
| 01-May-14 | 140,243,200 | 114,700,000 |
| 02-May-14 | 140,243,200 | 114,700,000 |
| 03-May-14 | 140,243,200 | 114,700,000 |
| 05-May-14 | 140,243,200 | 114,700,000 |
| 06-May-14 | 140,243,200 | 114,700,000 |
| 07-May-14 | 140,243,200 | 114,700,000 |
| 08-May-14 | 140,243,200 | 114,700,000 |
| 09-May-14 | 140,243,200 | 114,700,000 |
| 08-Jun-14 | 140,243,200 | 114,700,000 |

Table 2 – Gas days for which the full obligated quantity was not released at the Cheshire (CH) ASEP in the firm within-day entry capacity auction (WDDSEC)

| Gas Day | Obligated release quantity (kWh) | Quantity actually released (kWh) | Bids pro-rated? |
|-----------|----------------------------------|----------------------------------|-----------------|
| 03-Apr-14 | 140,243,200 | 114,700,000 | N |
| 04-Apr-14 | 140,243,200 | 114,700,000 | N |
| 05-Apr-14 | 140,243,200 | 114,700,000 | N |
| 06-Apr-14 | 140,243,200 | 114,700,000 | N |
| 07-Apr-14 | 140,243,200 | 114,700,000 | N |
| 08-Apr-14 | 140,243,200 | 114,700,000 | N |
| 09-Apr-14 | 140,243,200 | 114,700,000 | N |
| 10-Apr-14 | 140,243,200 | 114,700,000 | N |
| 11-Apr-14 | 140,243,200 | 114,700,000 | N |
| 12-Apr-14 | 140,243,200 | 114,700,000 | N |
| 13-Apr-14 | 140,243,200 | 114,700,000 | N |
| 14-Apr-14 | 140,243,200 | 114,700,000 | N |
| 15-Apr-14 | 140,243,200 | 114,700,000 | N |
| 16-Apr-14 | 140,243,200 | 114,700,000 | N |
| 17-Apr-14 | 140,243,200 | 114,700,000 | N |
| 18-Apr-14 | 140,243,200 | 114,700,000 | N |
| 19-Apr-14 | 140,243,200 | 114,700,000 | N |
| 20-Apr-14 | 140,243,200 | 114,700,000 | N |
| 21-Apr-14 | 140,243,200 | 114,700,000 | N |
| 22-Apr-14 | 140,243,200 | 114,700,000 | N |
| 23-Apr-14 | 140,243,200 | 114,700,000 | N |
| 24-Apr-14 | 140,243,200 | 114,700,000 | N |
| 25-Apr-14 | 140,243,200 | 114,700,000 | N |
| 26-Apr-14 | 140,243,200 | 114,700,000 | N |
| 27-Apr-14 | 140,243,200 | 114,700,000 | N |
| 28-Apr-14 | 140,243,200 | 114,700,000 | N |
| 29-Apr-14 | 140,243,200 | 114,700,000 | N |
| 02-May-14 | 140,243,200 | 114,700,000 | N |
| 03-May-14 | 140,243,200 | 114,700,000 | N |
| 04-May-14 | 140,243,200 | 114,700,000 | N |
| 05-May-14 | 140,243,200 | 114,700,000 | N |
| 06-May-14 | 140,243,200 | 114,700,000 | N |
| 07-May-14 | 140,243,200 | 114,700,000 | N |
| 08-May-14 | 140,243,200 | 114,700,000 | N |
| 09-May-14 | 140,243,200 | 114,700,000 | N |
| 10-May-14 | 140,243,200 | 114,700,000 | N |
| 11-May-14 | 140,243,200 | 114,700,000 | N |
| 12-May-14 | 140,243,200 | 114,700,000 | N |
| 13-May-14 | 140,243,200 | 114,700,000 | N |
| 02-Jun-14 | 140,243,200 | 114,700,000 | N |
| 06-Jun-14 | 140,243,200 | 114,700,000 | N |
| 07-Jun-14 | 140,243,200 | 114,700,000 | N |

Table 3 – Gas days for which the full obligated quantity was not released at the Easington (EA) ASEP in the firm day-ahead entry capacity auction (DADSEC)

| Gas Day | Obligated release quantity (kWh) | Quantity actually released (kWh) |
|-----------|----------------------------------|----------------------------------|
| 01-Apr-14 | 1,014,037,355 | 668,887,355 |
| 07-Apr-14 | 1,014,037,355 | 668,887,355 |
| 08-Apr-14 | 1,014,037,355 | 668,887,355 |
| 09-Apr-14 | 1,014,037,355 | 668,887,355 |
| 10-Apr-14 | 1,014,037,355 | 668,887,355 |
| 11-Apr-14 | 1,014,037,355 | 668,887,355 |
| 12-Apr-14 | 1,014,037,355 | 668,887,355 |
| 13-Apr-14 | 1,014,037,355 | 668,887,355 |
| 14-Apr-14 | 1,014,037,355 | 668,887,355 |
| 15-Apr-14 | 1,014,037,355 | 668,887,355 |
| 16-Apr-14 | 1,014,037,355 | 668,887,355 |
| 17-Apr-14 | 1,014,037,355 | 668,887,355 |
| 18-Apr-14 | 1,014,037,355 | 668,887,355 |
| 19-Apr-14 | 1,014,037,355 | 668,887,355 |
| 20-Apr-14 | 1,014,037,355 | 668,887,355 |
| 21-Apr-14 | 1,014,037,355 | 668,887,355 |
| 22-Apr-14 | 1,014,037,355 | 668,887,355 |
| 23-Apr-14 | 1,014,037,355 | 668,887,355 |
| 24-Apr-14 | 1,014,037,355 | 668,887,355 |
| 25-Apr-14 | 1,014,037,355 | 668,887,355 |
| 26-Apr-14 | 1,014,037,355 | 668,887,355 |
| 27-Apr-14 | 1,014,037,355 | 668,887,355 |
| 28-Apr-14 | 1,014,037,355 | 668,887,355 |
| 29-Apr-14 | 1,014,037,355 | 668,887,355 |
| 01-May-14 | 1,010,437,355 | 665,287,355 |
| 02-May-14 | 1,010,437,355 | 665,287,355 |
| 03-May-14 | 1,010,437,355 | 665,287,355 |
| 05-May-14 | 1,010,437,355 | 665,287,355 |
| 06-May-14 | 1,010,437,355 | 665,287,355 |
| 07-May-14 | 1,010,437,355 | 665,287,355 |
| 08-May-14 | 1,010,437,355 | 665,287,355 |
| 09-May-14 | 1,010,437,355 | 665,287,355 |
| 31-May-14 | 1,010,437,355 | 665,287,355 |

Table 4 – Gas days for which the full obligated quantity was not released at the Easington (EA) ASEP in the firm within-day entry capacity auction (WDDSEC)

| Gas Day | Obligated release quantity (kWh) | Quantity actually released (kWh) | Bids pro-rated? |
|-----------|----------------------------------|----------------------------------|-----------------|
| 02-Apr-14 | 1,013,837,355 | 1,014,037,355 | N |
| 07-Apr-14 | 1,013,722,355 | 668,572,355 | Υ |
| 08-Apr-14 | 1,013,537,355 | 668,387,355 | Υ |
| 09-Apr-14 | 1,013,637,355 | 668,487,355 | Υ |
| 10-Apr-14 | 1,013,537,355 | 668,387,355 | Υ |
| 11-Apr-14 | 1,001,037,355 | 655,887,355 | Υ |
| 12-Apr-14 | 1,013,937,355 | 668,787,355 | Υ |
| 13-Apr-14 | 1,013,867,355 | 671,717,355 | Υ |
| 14-Apr-14 | 1,000,787,355 | 655,637,355 | Υ |
| 15-Apr-14 | 1,013,637,355 | 668,487,355 | Υ |
| 16-Apr-14 | 1,013,687,355 | 668,537,355 | Υ |
| 17-Apr-14 | 1,013,937,355 | 668,787,355 | Υ |
| 18-Apr-14 | 1,013,837,355 | 668,687,355 | N |
| 19-Apr-14 | 1,001,387,355 | 656,237,355 | N |
| 20-Apr-14 | 1,001,529,355 | 656,379,355 | N |
| 21-Apr-14 | 1,013,926,355 | 668,776,355 | N |
| 22-Apr-14 | 1,013,482,355 | 668,332,355 | Y |
| 23-Apr-14 | 1,013,512,355 | 668,362,355 | Y |
| 24-Apr-14 | 1,013,487,355 | 668,337,355 | Y |
| 25-Apr-14 | 1,013,437,355 | 668,287,355 | Υ |
| 26-Apr-14 | 1,013,857,355 | 668,707,355 | N |
| 27-Apr-14 | 1,013,937,355 | 668,787,355 | N |
| 28-Apr-14 | 1,013,537,355 | 668,387,355 | N |
| 29-Apr-14 | 1,000,837,355 | 655,687,355 | N |
| 30-Apr-14 | 1,013,557,355 | 668,407,355 | N |
| 01-May-14 | 1,010,437,355 | 665,287,355 | Υ |
| 02-May-14 | 1,010,437,355 | 665,287,355 | Y |
| 03-May-14 | 1,010,437,355 | 665,287,355 | Υ |
| 04-May-14 | 1,010,437,355 | 665,287,355 | Y |
| 05-May-14 | 1,010,437,355 | 665,287,355 | Y |
| 06-May-14 | 1,010,437,355 | 665,287,355 | Y |
| 07-May-14 | 1,010,437,355 | 666,487,355 | N |
| 08-May-14 | 1,010,437,355 | 665,287,355 | Y |
| 09-May-14 | 1,010,437,355 | 665,287,355 | Y |
| 10-May-14 | 1,009,807,355 | 664,657,355 | Y |
| 11-May-14 | 1,010,437,355 | 665,287,355 | Y |
| 12-May-14 | 1,010,437,355 | 675,287,355 | Υ |
| 13-May-14 | 1,010,437,355 | 665,287,355 | Υ |
| 28-May-14 | 1,010,437,355 | 665,287,355 | N |
| 29-May-14 | 1,010,437,355 | 665,287,355 | N |

Table 5 – Gas days for which the full obligated quantity was not released at the Fleetwood (FL) ASEP in the firm day-ahead entry capacity auction (DADSEC)

| Gas Day | Obligated release quantity (kWh) | Quantity actually released (kWh) |
|-----------|----------------------------------|----------------------------------|
| 03-Apr-14 | 650,000,000 | 0 |
| 04-Apr-14 | 650,000,000 | 0 |
| 05-Apr-14 | 650,000,000 | 0 |
| 06-Apr-14 | 650,000,000 | 0 |
| 07-Apr-14 | 650,000,000 | 0 |
| 08-Apr-14 | 650,000,000 | 0 |
| 09-Apr-14 | 650,000,000 | 0 |
| 10-Apr-14 | 650,000,000 | 0 |
| 11-Apr-14 | 650,000,000 | 0 |
| 12-Apr-14 | 650,000,000 | 0 |
| 13-Apr-14 | 650,000,000 | 0 |
| 14-Apr-14 | 650,000,000 | 0 |
| 15-Apr-14 | 650,000,000 | 0 |
| 16-Apr-14 | 650,000,000 | 0 |
| 17-Apr-14 | 650,000,000 | 0 |
| 18-Apr-14 | 650,000,000 | 0 |
| 19-Apr-14 | 650,000,000 | 0 |
| 20-Apr-14 | 650,000,000 | 0 |
| 21-Apr-14 | 650,000,000 | 0 |
| 22-Apr-14 | 650,000,000 | 0 |
| 23-Apr-14 | 650,000,000 | 0 |
| 24-Apr-14 | 650,000,000 | 0 |
| 25-Apr-14 | 650,000,000 | 0 |
| 26-Apr-14 | 650,000,000 | 0 |
| 27-Apr-14 | 650,000,000 | 0 |
| 28-Apr-14 | 650,000,000 | 0 |
| 29-Apr-14 | 650,000,000 | 0 |
| 30-Apr-14 | 650,000,000 | 0 |
| 02-May-14 | 650,000,000 | 0 |
| 03-May-14 | 650,000,000 | 0 |
| 05-May-14 | 650,000,000 | 0 |
| 07-May-14 | 650,000,000 | 0 |
| 08-May-14 | 650,000,000 | 0 |
| 09-May-14 | 650,000,000 | 0 |
| 08-Jun-14 | 650,000,000 | 0 |

Table 6 – Gas days for which the full obligated quantity was not released at the Fleetwood (FL) ASEP in the firm within-day entry capacity auction (WDDSEC)

| Gas Day | Obligated release quantity (kWh) | Quantity actually released (kWh) | Bids pro-rated? |
|-----------|----------------------------------|----------------------------------|-----------------|
| 03-Apr-14 | 650,000,000 | 0 | N |
| 04-Apr-14 | 650,000,000 | 0 | N |
| 05-Apr-14 | 650,000,000 | 0 | N |
| 06-Apr-14 | 650,000,000 | 0 | N |
| 07-Apr-14 | 650,000,000 | 0 | N |
| 08-Apr-14 | 650,000,000 | 0 | N |
| 09-Apr-14 | 650,000,000 | 0 | N |
| 10-Apr-14 | 650,000,000 | 0 | N |
| 11-Apr-14 | 650,000,000 | 0 | N |
| 12-Apr-14 | 650,000,000 | 0 | N |
| 13-Apr-14 | 650,000,000 | 0 | N |
| 14-Apr-14 | 650,000,000 | 0 | N |
| 15-Apr-14 | 650,000,000 | 0 | N |
| 16-Apr-14 | 650,000,000 | 0 | N |
| 17-Apr-14 | 650,000,000 | 0 | N |
| 18-Apr-14 | 650,000,000 | 0 | N |
| 19-Apr-14 | 650,000,000 | 0 | N |
| 20-Apr-14 | 650,000,000 | 0 | N |
| 21-Apr-14 | 650,000,000 | 0 | N |
| 22-Apr-14 | 650,000,000 | 0 | N |
| 23-Apr-14 | 650,000,000 | 0 | N |
| 24-Apr-14 | 650,000,000 | 0 | N |
| 25-Apr-14 | 650,000,000 | 0 | N |
| 26-Apr-14 | 650,000,000 | 0 | N |
| 27-Apr-14 | 650,000,000 | 0 | N |
| 28-Apr-14 | 650,000,000 | 0 | N |
| 29-Apr-14 | 650,000,000 | 0 | N |
| 30-Apr-14 | 650,000,000 | 0 | N |
| 01-May-14 | 650,000,000 | 0 | N |
| 02-May-14 | 650,000,000 | 0 | N |
| 03-May-14 | 650,000,000 | 0 | N |
| 04-May-14 | 650,000,000 | 0 | N |
| 05-May-14 | 650,000,000 | 0 | N |
| 06-May-14 | 650,000,000 | 0 | N |
| 07-May-14 | 650,000,000 | 0 | N |
| 08-May-14 | 650,000,000 | 0 | N |
| 09-May-14 | 650,000,000 | 0 | N |
| 10-May-14 | 650,000,000 | 0 | N |
| 11-May-14 | 650,000,000 | 0 | N |
| 12-May-14 | 650,000,000 | 0 | N |
| 13-May-14 | 650,000,000 | 0 | N |
| 02-Jun-14 | 650,000,000 | 0 | N |
| 06-Jun-14 | 650,000,000 | 0 | N |
| 07-Jun-14 | 650,000,000 | 0 | N |

Table 7 – Gas days on which priced bids were accepted at the Easington (EA) ASEP after the 07:00 within day clearing allocation

| Gas day | Quantity allocated (kWh) | Revenue (£) |
|-----------|--------------------------|-------------|
| 13-Apr-14 | 3,000,000 | 3.00 |
| 07-May-14 | 1,100,000 | 78.10 |
| 12-May-14 | 10,000,000 | 30.00 |