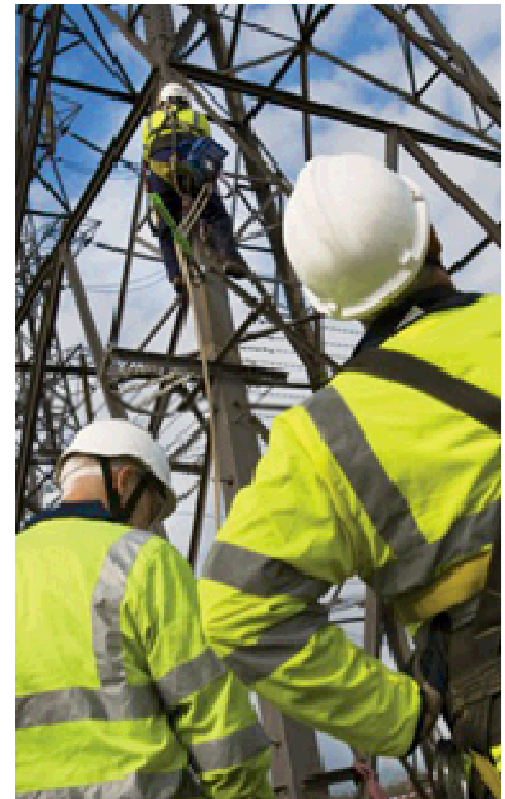
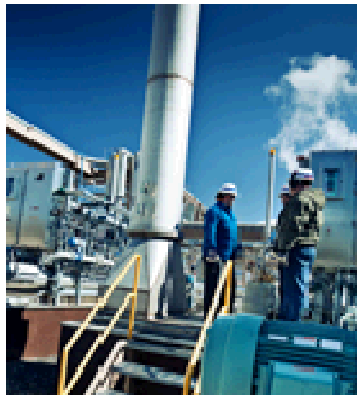


Update on Exit Capacity Substitution and Revision

Transmission Workstream meeting, 3rd June 2010



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Key Dates and Obligations

- ◆ 4 January 2011: submit Exit Capacity Substitution and Revision methodology statement(s) for approval.
 - ◆ This would facilitate a decision by 4 April 2011 and implementation in the July 2011 application window.
- ◆ 30 April 2010 and 31 August 2010: submit interim reports to Ofgem setting out the progress to date.
 - ◆ First interim report can be found at <http://www.nationalgrid.com/uk/Gas/Charges/statements/transpotation/ExCapSubMS/>
- ◆ Four workshops held to develop methodologies and to identify/resolve issues.
 - ◆ Presentations and minutes can be found on above link.

Next Steps

- ◆ Late June: Commence informal consultation.
 - ◆ To cover issues raised and potential options.
 - ◆ Will include a first draft methodology statement.
 - ◆ Allow for five weeks for responses.
 - ◆ Will allow wider views to be considered than just those attending workshops.
- ◆ 7th September: workshop 5.
 - ◆ To present findings of informal consultation and National Grid's initial response.
- ◆ Early November: Commence formal consultation on National Grid's proposals.