

OPERATING MARGINS GAS PROCUREMENT TENDER INVITATION NOTICE

Issued 15th April 2009

**Network Operations
National Grid Gas plc
National Grid House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA**

PLEASE NOTE :

This document should be read in conjunction with the documents entitled;

- **Gas Procurement Tender Offer Notice GPT 4-09**
- **Gas Procurement Tender Rules GPTR1.0**
- **Gas Procurement Tender Terms GPTT1.0**

Each of these documents can be found at:

<http://www.nationalgrid.com/uk/Gas/OperationalInfo/GasOperatingMargins/>

nationalgrid

Reference No: GPT4-09

GAS PROCUREMENT TENDER INVITATION NOTICE

1. This Gas Procurement Tender Invitation Notice (“**Gas Procurement Tender Invitation Notice**”) is issued in accordance with, and is subject to:
 - the Uniform Network Code
 - the Gas Procurement Tender Rules with reference number GPTR1.0 (the “**Gas Procurement Tender Rules**”)
 - the Gas Procurement Tender Terms with the reference number GPTT1.0 (the “**Gas Procurement Tender Terms**”)
2. Defined terms used in this Gas Procurement Tender Invitation Notice shall, unless the context otherwise requires or otherwise defined herein, have the meanings given to them in the Gas Procurement Tender Terms.
3. Users are invited to submit Gas Procurement Tender Offers in accordance with, and subject to, this Gas Procurement Tender Invitation Notice, the Gas Procurement Tender Rules and the Gas Procurement Tender Terms. Each of such Gas Procurement Tender Offers shall be for the sale by the Tendering User to National Grid Gas of gas for Operating Margins purposes pursuant to Section K of the Uniform Network Code.
4. Each Gas Procurement Tender Offer must be in respect of one only of the following Delivery Methods:
 - Within Avonmouth LNG Storage facility and Rough Gas Storage Facility.
5. When a completed Gas Procurement Offer Notice is submitted to National Grid Gas for delivery by Storage Gas Transfer, it must also be accompanied by written confirmation from the tenderer that they have an arrangement with the facility operator to receive and hold gas in store at Avonmouth effective for the period commencing 01st May 2009 and/or Rough effective for the period 01st May 2009. National Grid Gas will then seek similar confirmation from the facility operator and if either confirmation is not forthcoming by 17:00 hours on 24th April 2009, the Offer will be treated by National Grid Gas as invalid.
6. Each Gas Procurement Tender Offer must also be in respect of a specific Delivery Period. Such Delivery Period is dependent on the Delivery Method and must be as follows:

Delivery Method	Delivery Period (all Gas days inclusive)	Max Quantity kWh (absolute)
Storage Gas Transfer in the Avonmouth LNG Storage facility	01/05/09	17,500,000
Storage Gas Transfer in the Rough Gas Storage facility	01/10/09	107,500,000

7. Each Gas Procurement Tender Offer must be in respect of a whole number of Tranches, each Tranche being for a Tendered Quantity of 500,000 kWh of gas.
8. The Price in each Gas Procurement Tender Offer must be in pence per kWh and be to no more than four decimal places.
9. For the avoidance of doubt, users can submit multiple offers with each offer being in the format as stated above.
10. The maximum aggregate quantity of gas which National Grid Gas anticipates it will require pursuant to this Gas Procurement Tender Invitation Notice is 125,000,000 kWh. For the avoidance of doubt, National Grid Gas shall not be obliged to accept Gas Procurement Tender Offers in aggregate for the full amount of the above quantity, nor shall it be prevented from accepting Gas Procurement Tender Offers in aggregate for amounts exceeding such quantity.
11. The Offer Window Period within which Gas Procurement Tender Offers must be received by National Grid Gas is between 09:00 hours and 11:00 hours on Friday 24th April 2009.
12. Gas Procurement Tender Offers must be made in writing by completing in full the Gas Procurement Tender Offer Notice with the above Reference Number (or a direct copy thereof).
13. If National Grid Gas accepts, whether in whole or in part, a Gas Procurement Tender Offer, it shall use its reasonable endeavours to send a Gas Procurement Tender Acceptance to the relevant Tendering User in a Gas Procurement Tender Acceptance Notice no later than 17:00 hours on Friday 24th April 2009.
14. Gas Procurement Tender Offer Notices must be submitted to National Grid Gas by facsimile to facsimile number 01926 65 6613, marked for the attention of Sam Wither.
15. Any questions regarding this Gas Procurement Tender Invitation Notice may be made prior to the end of the Offer Window Period between 09:00 hours and 17:00 hours Monday to Friday (bank holidays excepted) by telephone to Sam Wither on 01926 65 6492 or Juliana Urdal on 01926 656195.
16. The Gas Procurement Tender Rules and Gas Procurement Tender Terms have been issued to Users by electronic mail to such address as National Grid Gas maintains for such purposes. If a User is not in possession of either the Gas Procurement Tender Rules or the Gas Procurement Tender Terms, or if a User requires additional copies thereof, these should be obtained by contacting Sam Wither on 01926 65 6492.