

**Reference No: GDT 4/07**

**GAS DISPOSAL TENDER INVITATION NOTICE**

1. This Gas Disposal Tender Invitation Notice (“**Gas Disposal Tender Invitation Notice**”) is issued in accordance with, and is subject to, the Uniform Network Code (UNC), the Gas Disposal Tender Rules with reference number GDTR 1.0 (the “**Gas Disposal Tender Rules**”) and the Gas Disposal Tender Terms with the reference number GDTT 1.0 (the “**Gas Disposal Tender Terms**”).
2. Defined terms used in this Gas Disposal Tender Invitation Notice shall, unless the context otherwise requires or otherwise defined herein, have the meanings given to them in the Gas Disposal Tender Terms.
3. Users are invited to submit Bids in accordance with, and subject to, this Gas Disposal Tender Invitation Notice, the Gas Disposal Tender Rules and the Gas Disposal Tender Terms. Each of such Bids shall be for the purchase by the Tendering User from National Grid Gas of gas which is currently in storage for Operating Margins purposes, pursuant to Section K of the UNC.
3. Each Bid is in respect of one only of the following Delivery Methods:
  - (a) by NBP Trade in accordance with the NBP 1997 Terms; or
  - (b) by Storage Gas Transfer in the Avonmouth or Dynevor LNG Storage Facilities.
4. When a completed Gas Disposal Tender Bid 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 or Dynevor effective for the period commencing 01st May 2007. National Grid Gas will then seek similar confirmation from the facility operator and if either confirmation is not forthcoming by 17:00 hours on 27th April 2007, the Bid will be treated by National Grid Gas as invalid.
5. Each Bid must also be in respect of a specific Delivery Period. Such Delivery Period is dependent on the Delivery Method and must be as follows:

<b>Delivery Method</b>	<b>Delivery Period (all Days inclusive)</b>	<b>Max Quantity (kWh)</b>
NBP Trade	01 <sup>st</sup> to 31 <sup>st</sup> May 2007	181,000,000
Storage Gas Transfer in the Avonmouth LNG Storage Facility	01 <sup>st</sup> May 2007	137,000,000
Storage Gas Transfer in the Dynevor LNG Storage Facility	01 <sup>st</sup> May 2007	44,000,000

6. Each Bid must be in respect of a whole number of Tranches, each Tranche being for a Tendered Quantity of 1,000,000 kWh of gas.
6. The Price in each Bid must be in pence per kWh and be to no more than four decimal places.
7. For the avoidance of doubt, users can submit multiple bids with each bid being in the format as stated above.
8. The maximum aggregate quantity of gas which is currently in storage which National Grid Gas will be willing to enter into a Gas Disposal Contract pursuant to this Gas Disposal Tender Invitation Notice is 137,000,000kWh and 44,000,000kWh at Avonmouth and Dynevor, respectively, or 181,000,000kwh in total. National Grid Gas shall accept Bids in order of price in accordance with Section K 3.3.2(g) and (h) of UNC and Section K 3.3 generally. For the avoidance of doubt, National Grid Gas shall not accept Bids in aggregate for amounts exceeding such quantity.
9. The Bid Window Period within which Bids must be received by National Grid Gas is between 09:00 hours and 11:00 hours on Friday 27<sup>th</sup> April 2007.
10. Bids must be made in writing by completing in full the annexed Gas Disposal Tender Bid Notice and Schedule with the above Reference Number (or a direct copy thereof).
11. If National Grid Gas accepts, whether in whole or in part, a Bid, it shall use its reasonable endeavours to send a Gas Disposal Tender Acceptance to the relevant Tendering User in a Gas Disposal Tender Acceptance Notice no later than 17:00 hours on Friday 27<sup>th</sup> April 2007.
12. Gas Disposal Tender Bid Notices must be submitted to National Grid Gas by facsimile to facsimile number 01926 656612 or 01926 656613, marked for the attention of Sam Wither.
13. Any questions regarding this Gas Disposal Tender Invitation Notice may be made prior to the end of the Bid Window Period between 09:00 hours and 17:00 hours Monday to Friday (bank holidays excepted) by

telephone to Sam Wither of National Grid Gas on 01926 656492 or Harjinder Kandola of National Grid Gas on 01926 654056.

14. The Gas Disposal Tender Rules and Gas Disposal 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 Disposal Tender Rules or the Gas Disposal Tender Terms, or if a User requires additional copies thereof, these should be obtained by contacting Sam Wither of National Grid Gas on 01926 656492.