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[www.nationalgrid.com](http://www.nationalgrid.com)

Tuesday 23<sup>rd</sup> January 2007

Dear User

**RE: Tender for Entry Capacity Buy Back Options (National Grid Gas plc as Buyer) OT46**

National Grid Gas plc would like to invite you to take part in a Tender for options to buy back entry capacity as part of its ongoing capacity management process. This Tender will take place on Tuesday 30<sup>th</sup> January 2007.

Users will be able to submit up to 10 bids per ASEP for each Option period offered. The Option Exercise Period is detailed in the Tender Invitation Notice. National Grid will specify the Premium price whilst Tendering Users will be able to set the Strike price.

The Tender will be conducted in Gemini and offers for the Option Exercise Period should be made via the **Deal>Capture>Create Bids** screen. Before entering an offer the tender rules and terms can be viewed from the Gemini system via reference number 1.46. The rules and terms must be accepted before offers can be made.

May I ask you to note that in respect of any ASEP, Users should not offer for buy back a greater volume than the entry capacity allocation they hold on Tuesday 30<sup>th</sup> January 2007. Offers not meeting this criterion will be rejected by Gemini when bids are processed.

We would appreciate your support in the tender, as it is an important element in ensuring efficient capacity management under the new regime. If on reading the attached you have any queries then please call me on 01926 654 132 or Kay Brookes on 01926 655 342.

We look forward to receiving your offers.

Yours sincerely

Natasha Ranatunga  
Network Operations