

# **OPERATING MARGINS**

## **GAS DISPOSAL TENDER INVITATION NOTICE**

**GDT 4-08**

**Issued 14<sup>th</sup> April 2008**

**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 Disposal Tender Rules GDTR 1.0**
- **Gas Disposal Tender Rules GDTT 1.0**
- **Gas Disposal Tender Bid Notice GDT 4-08**

**Each of these documents can be found at:**

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

**nationalgrid**

**Reference No: GDT 4-08**

**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 held in storage for Operating Margins purposes, pursuant to Section K of the UNC.
4. 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, Dynevor Arms, Glenmavis LNG Storage Facilities or Hornsea Storage Facility.
5. 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, Dynevor Arms, Glenmavis or Hornsea effective for the period commencing 01<sup>st</sup> May 2008. National Grid Gas will then seek similar confirmation from the facility operator and if either confirmation is not forthcoming by 11:00 hours on 25<sup>th</sup> April 2008, the Bid will be treated by National Grid Gas as invalid.
6. 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 per the following table:

<b>Delivery Method</b>	<b>Delivery Period (all Days inclusive)</b>	<b>Max Quantity (kWh)</b>
NBP Trade	12, 13, 14, 15 & 16 May 08	104,000,000
Storage Gas Transfer in the Avonmouth LNG Storage Facility	01 May 08	86,000,000
Storage Gas Transfer in the Dynevor Arms LNG Storage Facility	01 May 08	104,000,000
Storage Gas Transfer in the Glenmavis LNG Storage Facility	01 May 08	4,000,000
Storage Gas Transfer in the Hornsea Storage Facility	01 May 08	18,000,000

7. 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.
8. The Price in each Bid 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 bids with each bid being in the format as stated above.
10. 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 86,000,000kWh, 104,000,000kWh, 4,000,000kWh and 18,000,000kWh at Avonmouth, Dynevor Arms, Glenmavis and Hornsea respectively. 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.
11. 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 25<sup>th</sup> April 2008.
12. 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).
13. 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 25<sup>th</sup> April 2008.
14. 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.
15. 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 16:00 hours Monday to Friday (bank holidays excepted) by telephone to Sam Wither of National Grid Gas on 01926 656492 or Juliana Urdal of National Grid Gas on 01926 656195.

16. The Gas Disposal Tender Rules and Gas Disposal Tender Terms have been issued to Users by electronic mail to such addresses 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.