

David Mitchell  
UK LNG Customer Service &  
Business Strategy Manager,  
david.p.mitchell@nationalgrid.com  
Direct tel +44 (0)1926 653438  
Mobile +44 (0) 7765 220654

www.nationalgrid.com

1<sup>st</sup> March 2013

Dear Colleague

### **LNG Storage Services for Storage Year 2013/14**

I am pleased to enclose details of our 2013 Annual Storage Invitation (ASI) for National Grid LNG Storage services.

Following Ofgem's review of transporters' investment plans during the next RIIO price control period and their proposals for regulated funding arrangements, we intend to continue offering services from Avonmouth on an annual basis. We are pleased to confirm that this will include a full suite of LNG storage services including road tanker reloading services which may be acquired directly by non licensed gas shippers.

In line with last year's auction process we will be making Storage Capacity available to licensed Gas Shippers for the Storage Year 2013/14 commencing 1<sup>st</sup> May. The indicative quantities available for purchase are set out in Appendix 1 of the ASI, an updated version of which will be published 25<sup>th</sup> March 2013.

We invite applications for Storage Capacity (Space, Injectability, and Deliverability) by way of a two stage, pay as bid auction process. The arrangement for this year is, 60% of the available capacity will be offered in a stage one auction, with the remaining 40% being available through a second, stage 2. These auctions will be held on the 2<sup>nd</sup> and 9<sup>th</sup> April 2013 respectively.

We have amended the price of our tanker filing slots and our refilling charges to align them with the regulated charges stated in accordance with Special Condition C3<sup>1</sup> of National Grid Gas' Transporter licence.

---

<sup>1</sup> <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=74&refer=Networks/Trans/GasTransPolicy/LNGPriceControl>

The numbering of this condition was modified on 1<sup>st</sup> Feb 2013 from C3 to 11E, coming into effect on and from 1<sup>st</sup> April 2013.

All other charges have been reviewed in line with forecast operational costs including power and gas costs.

If you have any questions in relation to the 2013 ASI, or require further support please contact either myself or Nicholas Blair on 01634 274523. ([Nicholas.Blair@nationalgrid.com](mailto:Nicholas.Blair@nationalgrid.com))

Yours sincerely

A handwritten signature in blue ink, appearing to be 'DM', with a horizontal line extending to the right.

David Mitchell  
Customer Service & Business Strategy Manager