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Dear Stakeholders

Following our stakeholder consultation on ceasing operational activity at our Avonmouth facility on 30th April 2016, this statement, published by National Grid LNG Storage, provides our final decision.

Our stakeholder consultation received six replies and these responses alongside LNG Storage's consultation summary and initial response, published 29th January 2015, are available to view on the consultation website¹. Of the responses received no new considerations came to light that required a reappraisal of our proposed timescale. Significantly there was no reason given by which National Grid would be required to continue to operate the facility beyond April 2016.

As previously noted the Avonmouth facility is over 40 years old and is characterised by assets approaching the end of their technical life. Although safe, and in spite of significant inspection, maintenance and strategic spares provisions, the site has experienced several failures of its process and liquefaction plant in recent years. Most recently, unplanned outages were necessitated in the summer of 14, December 14 and February 15. For many years LNG Storage has engaged with customers and stakeholders emphasising the resilience risks and importance of implementing alternative arrangements.

As such our decision is that National Grid's cessation of operations at the Avonmouth LNG Storage facility on 30th April 2016 is seen as the only credible option to minimise disruption to customers and consumers through unplanned failure. This deadline provides customers with a clear timeline to implement alternative arrangements and continue to ensure security of supply to their consumers who depend on re-gasified LNG.

LNG Storage continues with our commitment to support customers and fellow gas transporters in delivering this common objective.

Further to this announcement any party interested in acquiring the facility, assets, or land can contact me directly on 07765 220654 or david.p.mitchell@nationalgrid.com.

Yours sincerely



David Mitchell

¹ <http://www2.nationalgrid.com/UK/Services/LNG-Storage/consultation/>