

LNG Storage Service – 2008 Annual Storage Invitation

Stage Two Results

National Grid LNG Storage has today announced the results of Stage Two of its Annual Storage Invitation, held on 4th April 2008.

A total of 520GWh (17.7 million therms) of space were sold.

The auction saw significant interest from shippers at the four facilities, Avonmouth, Dynevor Arms, Glenmavis and Partington, with demand being more than three times the amount of capacity offered.

Average prices (net of the Transmission Benefit¹) at the four facilities were 0.502 p/kWh (14.71 p/therm). There were 12 bidders in the auction of which 7 were successful.

The results in detail are as follows:

¹ Transmission Benefit – Customers who book a constrained service at Avonmouth agree to withdraw some of their gas from storage on days of very high demand, if directed to do so by National Grid. This is known as constraining on. Customers also agree to maintain a minimum inventory of gas in store (for 2008/09 this will be a maximum of 9% of customers space). In exchange for booking a constrained service, the customer receives a 'Transmission Benefit'.

Table shown in therms:

All figures are in pence per therms	Avonmouth (9% Constrained)	Dynevor	Glenmavis	Partington
Space sold	5,829,834	2,054,337	2,306,965	7,541,874
Deliverability sold	1,332,700	419,701	862,344	1,874,910
Average bid price (net of constrained rebate)	20.75 (12.91)	17.50	17.20	14.60
Min Accepted Price (net of transmission benefit)	17.91 (10.06)	15.07	11.41	11.54
Reserve price (net of transmission benefit)	12.00 (4.15)	12.0	9.77	10.24

Prices shown in brackets for Avonmouth are net of the constrained rebate

Table shown in kWhs:

All figures are in pence per kWh	Avonmouth (9% Constrained)	Dynevor	Glenmavis	Partington
Space sold	170,855,522	60,206,670	67,610,462	221,030,453
Deliverability sold	39,057,572	12,300,223	25,272,791	54, 948,171
Average bid price (net of constrained rebate)	0.708 (0.441)	0.597	0.587	0.498
Min Accepted Price (net of transmission benefit)	0.611 (0.343)	0.514	0.389	0.394
Reserve price (net of transmission benefit)	0.4094 (0.1417)	0.4094	0.3334	0.3494

Prices shown in brackets for Avonmouth are net of the constrained rebate

Ends