

LNG Storage Service – 2008 Annual Storage Invitation

Stage One Results

National Grid LNG Storage has today announced the results of Stage One of its Annual Storage Invitation, held on 1st April 2008.

A total of 1559 GWh (53.2 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 twice the amount of capacity offered.

Average prices (net of the Transmission Benefit¹) at the four facilities were 0.530 p/kWh (15.5 p/therm). There were 14 bidders in the auction of which 11 were successful.

The Stage Two auction, at which 520 GWh (17.7 million therms) of space will be made available, is scheduled to take place on Friday 4th April. Applications for capacity must be received by 12.00hrs. The results for Stage Two will be announced by 10.00hrs on Wednesday 9th April.

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	17,489,501	6,163,012	6,920,896	22,625,622
Deliverability sold	3,997,325	1,259,081	2,587,257	5,624,917
Average bid price (net of constrained rebate)	21.39 (13.54)	18.63	15.61	16.16
Min Accepted Price (net of transmission benefit)	17.00 (9.15)	12.96	11.96	10.69
Reserve price (net of transmission benefit)	12.00 (4.15)	12.00	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	512,566,567	180,620,011	202,831,388	663,091,356
Deliverability sold	117,150,000	36,900,000	75,825,000	164,850,000
Average bid price (net of constrained rebate)	0.730 (0.462)	0.636	0.533	0.552
Min Accepted Price (net of transmission benefit)	0.580 (0.312)	0.442	0.408	0.365
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