

Capacity Management Overview



Source: National Grid 10 Year Statement

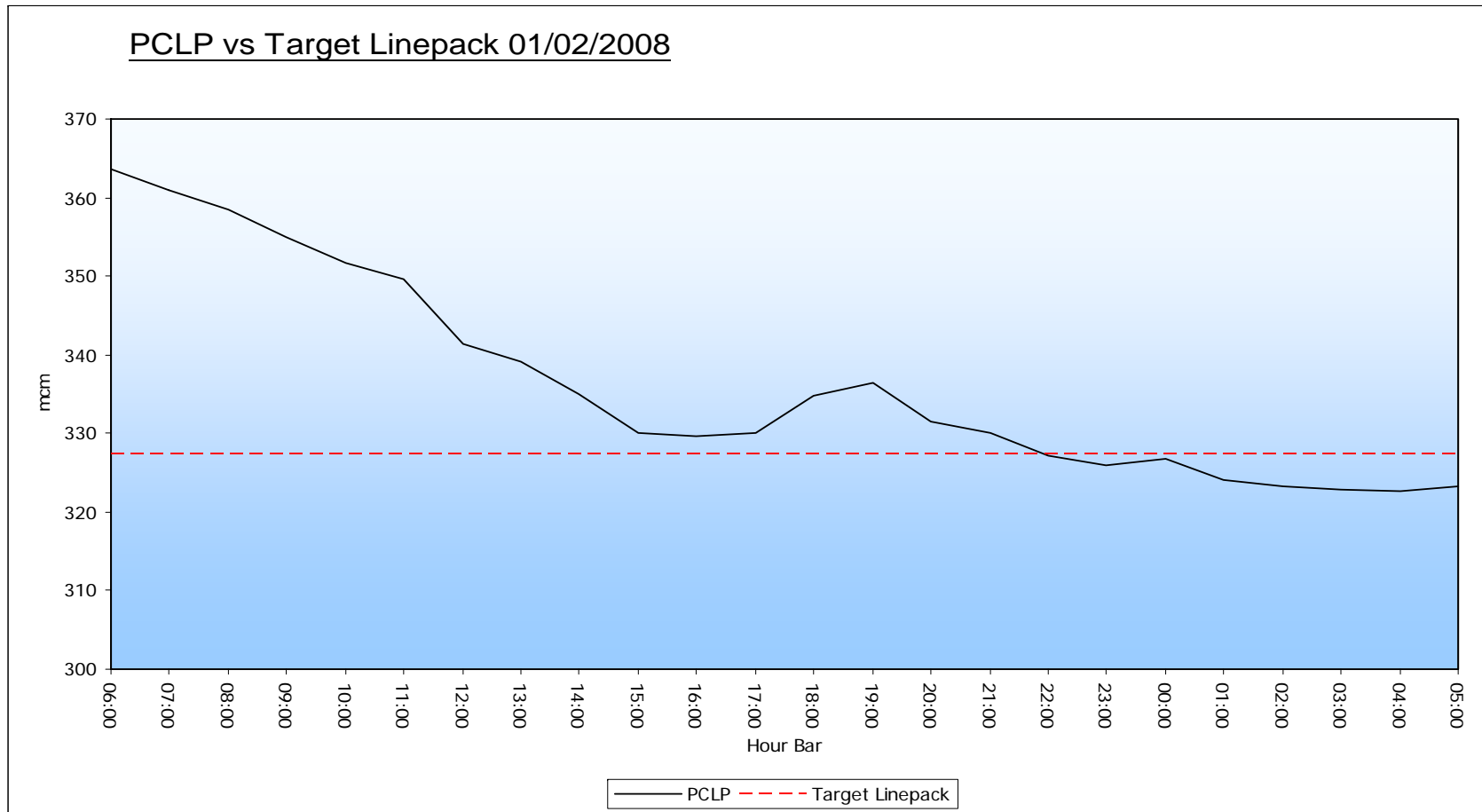
nationalgrid

Agenda

- Summary of February 2008 Physical and Commercial Operations

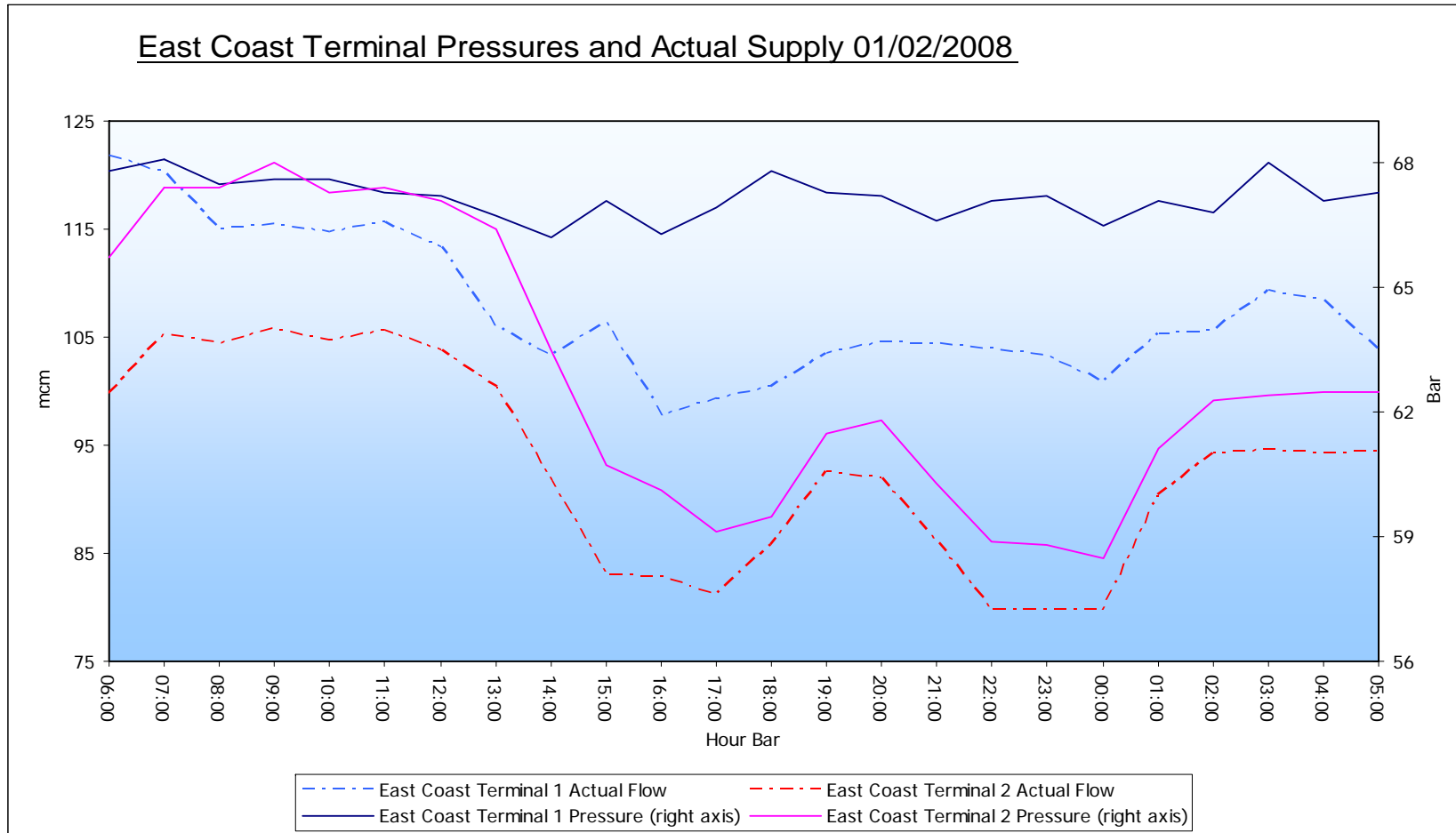
1st February 2008 Issues

1. System opens long, DFN PCLP 36 mcm above target.



1st February 2008 Issues cont...

2. High east coast pressures and front loading flows



1st February 2008

Actions Taken

- 07:00 Unsold firm baseline restricted at Bacton to reduce further risk of capacity constraint.
- 08:00 GNCC take system sell actions to restore system balance.
- 09:00 GNCC continue to take system sell actions.
- 13:00 100% Scaleback of interruptible at Bacton, Easington and Theddlethorpe, Isle Of Grain scaled 80% to allow LDZ boil off.

Key Points 1st February 2008

07:00 WDDSEC Clearing Auction

- Unsold baseline restricted at Bacton.
- All other bids for unsold baseline accepted and allocated.

Release of unsold baseline at Bacton delayed due to:

- Front Loading.
- High terminal pressure.
- If capacity was released – immediate buy back neither efficient or economic.

Maximise Capacity

- Interruptible capacity not scaled back until 13:00, resulting in 7 hours of accrued firm rights.

Release of Bacton unsold baseline:

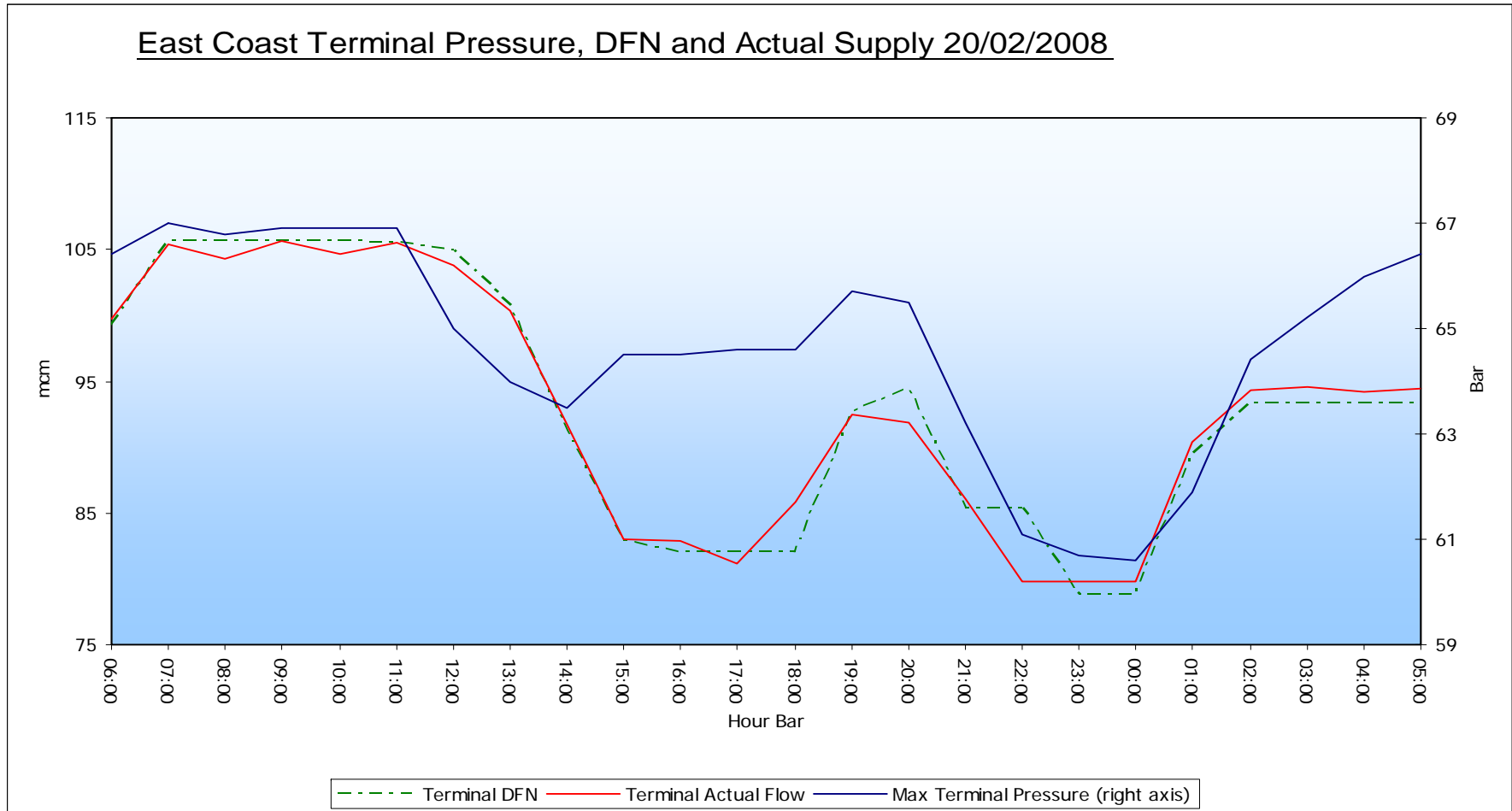
- 18:00 All remaining Unsold Bacton baseline offered.

ASEP's with LDZ Inputs

- Isle Of Grain only scaled 80% to allow LDZ boil off to flow.

20th February 2008 Issue

1. High terminal pressure and front loading flows



20th February 2008

Actions Taken

- 09:00 50% Scaleback of interruptible at Easington, Hornsea and Hatfield Moor.
- 11:00 Interruptible Scaleback increased to 100% at Easington, Hornsea and Hatfield Moor due to minimal terminal reaction to earlier 50% scale off.

Key Points 20th February 2008

07:00 WDDSEC Clearing Auction:

- All unsold baseline capacity offered.

Maximise Capacity

- Interruptible capacity not scaled back until 09:00, resulting in 3 hours of accrued firm rights.

Release Of Non Obligated Firm Capacity

- Additional east coast firm capacity released from 20:15