

Reference Number: CPT2/07

STORAGE CAPACITY PROCUREMENT TENDER OFFER NOTICE

1. By this Capacity Procurement Tender Offer Notice,

(insert name, company registered number and Shipper Short Code of Tendering User)
(the “**Tendering User**”) makes the Capacity Procurement Tender Offers set out in the Schedule hereto (each of which is a “**Capacity Procurement Tender Offer**”).
2. By each Capacity Procurement Tender Offer the Tendering User offers to enter into a Capacity Purchase Contract with National Grid Gas plc (“National Grid Gas”) for the sale to National Grid Gas of capacity for Operating Margins purposes. Each Capacity Procurement Tender Offer is made in accordance with, and subject to, the Capacity Procurement Tender Rules with reference number CPTR1.0 (the “**Capacity Procurement Tender Rules**”) and the Capacity Procurement Tender Invitation Notice with reference CPT2/07 to both of which the Tendering User agrees it is bound.
3. This Capacity Procurement Tender Offer Notice and the Capacity Procurement Tender Offers made herein are submitted pursuant to, and in accordance with, the Capacity Procurement Tender Invitation Notice with the same reference number as this Capacity Procurement Tender Offer Notice (the “**Capacity Procurement Tender Invitation Notice**”).
4. Defined terms used in this Capacity Procurement Tender Offer Notice shall, unless the context otherwise requires or otherwise defined herein, have the meanings given to them in the Capacity Procurement Tender Invitation Notice.
5. Each and every Capacity Procurement Tender Offer set out in this Capacity Procurement Tender Offer Notice is separate to, and independent of, every other Capacity Procurement Tender Offer set out herein.
6. (a) It is acknowledged and agreed that, subject to paragraph (b) below, if National Grid Gas should accept any one or more Capacity Procurement Tender Offers made by this Capacity Procurement Tender Offer Notice it may do so provided such amount is not greater than the Tendered Quantity as offered in that Capacity Procurement Tender Offer.

(b) If the Tendering User has so indicated, by ticking the relevant column in the Schedule hereto for a specific Capacity Procurement Tender Offer, then that Capacity Procurement Tender Offer, if accepted by National Grid Gas, may only be accepted for the full amount of the Tendered Quantity offered in that Capacity Procurement Tender Offer.

7. In submitting this Capacity Procurement Tender Offer Notice, the Tendering User represents, warrants and undertakes that:
- (a) this Capacity Procurement Tender Offer Notice has been duly authorised, and executed by duly authorised persons, in accordance with the constitutional documents of the Tendering User;
 - (b) this Capacity Procurement Tender Offer Notice and each of the other Tender Documents constitute and will constitute the legal, valid, binding and enforceable obligations of the Tendering User in accordance with its terms; and
 - (c) the information in this Capacity Procurement Tender Offer Notice has not been communicated to any third party or adjusted in accordance with any agreement or arrangement with any third party except as agreed in writing by National Grid Gas.

8. For the purposes of receiving Capacity Procurement Tender Acceptance Notices the Tendering User shall specify the facsimile number and representative for whose attention Capacity Procurement Tender Acceptance Notices are to be marked:

Facsimile Number: _____ *(please complete)*

Marked for the attention of: _____ *(please complete).*

9. In submitting this Capacity Procurement Tender Offer Notice the Tendering User acknowledges and agrees that, irrespective of whether or not a Capacity Procurement Tender Acceptance Notice is issued in relation to any Capacity Procurement Tender Offer(s) set out herein, National Grid Gas may disclose any information contained herein as provided in Clause 9 of this Capacity Procurement Tender Offer Notice.

Each of National Grid Gas and the Tendering User shall keep confidential and shall not disclose to any third party any information provided by the other party in any Tender Document or in connection with the performance of the Capacity Procurement Tender Offer Notice or any of the other Tender Documents (whether or not a Capacity Procurement Contract is entered into). Provided that:

- (a) this restriction shall not apply to any information which at the time of disclosure is in the public domain or thereafter comes into the public domain otherwise than as a consequence of a breach by National Grid Gas or the Tendering User of its obligations under this Clause 9;
- (b) nothing in the Tender Documents shall prevent the disclosure of information to any government department or any governmental

or regulatory agency having jurisdiction over either National Grid Gas or the Tendering User (including but not limited to the Gas and Electricity Markets Authority), or as required by law or any lawful subpoena or recognised stock exchange or regulatory authority or other process in connection with any judicial arbitration or administrative proceeding, or where reasonably necessary to effect the purpose of the Capacity Procurement Tender Invitation Notice or of any or all of the other Tender Documents; and

- (c) nothing in this Capacity Procurement Tender Offer Notice or in any other Tender Documents shall prevent the disclosure by National Grid Gas to third parties of the relevant prices and quantities contained in any Tender Document but only to the extent that such information is disclosed in aggregate or otherwise averaged or combined with other Users' prices and quantities or (whether or not aggregated, averaged or combined) as may be required from time to time pursuant to the provisions of the Uniform Network Code (as the same may be modified from time to time).

SIGNED by a duly authorised signatory of the Tendering User.

Signature:

Name:

Position:

Date:

SCHEDULE TO CAPACITY PROCUREMENT TENDER OFFER NOTICE

Reference Number: CPT2/07

CAPACITY PROCUREMENT TENDER OFFERS

Storage Year Capacity: 1 May 2007 (06:00) to 1 May 2008 (05:59)			
Capacity Procurement Tender Offer Number	Number of whole Tranches (each such Tranche being for a Tendered Quantity of 1,000,000 kWh - N.B. This is an annual quantity and not a daily quantity)	Price in pence per kWh per annum (in ascending price order)	Please tick if the Capacity Procurement Tender Offer may <u>only</u> be accepted for the full amount of the Tendered Quantity
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
Total (for information only)			

Facility:

Location of Facility: _____

Quantities

The quantity of deliverability available to National Grid Gas: _____ kWh/d

The quantity of injectability available to National Grid Gas: _____ kWh/d

Periods of Availability:

Forecast percentage availability of when deliverability available to National Grid: _____ %

Periods of unavailability (days and hours): _____

Commodity Charges

Injection Charge: _____ p/kWh (with associated overrun charges of _____ p/kWh)

Withdrawal Charge: _____ p/kWh (with associated overrun charges of _____ p/kWh)

Please continue on a separate sheet if necessary

Duly Authorised Signatory: _____