

Reference Number: CPT3/06

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 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 Terms with reference number CPTT1.0 (the “**Capacity Procurement Tender Terms**”) 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 Terms.
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 in accordance with the Capacity Procurement Tender Terms in respect of any amount of capacity, 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, and without prejudice to Clause 5 of the Capacity Procurement Tender Terms, 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 Clause 7(c) of the Capacity Procurement Tender Terms, the facsimile number of the Tendering User, and representative for whose attention Capacity Procurement Tender Acceptance Notices are to be marked is as follows:

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 11 of the Capacity Procurement Tender Terms.

SIGNED by a duly authorised signatory of the Tendering User.

Signature:

Name:

Position:

Date:

SCHEDULE TO CAPACITY PROCUREMENT TENDER OFFER NOTICE

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CAPACITY PROCUREMENT TENDER OFFERS

Note: For each Capacity Procurement Tender Offer stated in this Schedule, the Tendered Quantity shall be calculated by multiplying the number of Tranches stated for the Capacity Procurement Tender Offer by 1,000,000 kWh

Storage Year Capacity: 1 May 2006 (06:00) to 30 April 2007 (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)			

Duly Authorised Signatory:

NB: This capacity procurement tender offer notice shall also include all necessary supporting information as requested under clause 7 of the Capacity Procurement Tender Invitation Notice.