

National Grid Gas (NTS) System Operator Incentives for 1 April 2012

Initial Proposals Workshop

1:00pm*, 13 July 2011

Elxon's Offices, London**

Ofgem has asked National Grid to develop our Initial Proposals for the one year rollover of the Gas SO Incentives to be effective from 1 April 2012 until 31 March 2013. The incentive schemes to be developed for the one year rollover are the Shrinkage (including Unaccounted for Gas), Residual Balancing, Demand Forecasting and Data Publication incentives.

To fully develop our Initial Proposals we need to understand stakeholder's views on the current Gas SO Incentives and ideas on how these incentives can be improved. To capture stakeholder's views and identify potential areas for review we will be publishing an Initial Consultation document in early July 2011.

To accompany the Initial Consultation document we would like to invite you to a half-day workshop to discuss Gas SO Incentives. Details of the workshop are as follows;

- The workshop will take place on 13 July 2011 from 1:00pm onwards. Lunch and refreshments will be provided*
- The event is aimed at stakeholders with a specific interest in National Grid Transmission's Gas SO activities and associated Incentives
- Venue: Elxon's Offices (4th Floor, 350 Euston Road, London, NW1 3AW)**
- The session will follow the Gas Operations Forum (9:30am – 12:00pm)

If you would like to attend the workshop, or have any questions on the above, please contact us at soincentives@uk.ngrid.com or Nick.Reeves2@uk.ngrid.com no later than 24 June 2011. Please also indicate if you would like lunch.

Those planning on attending are encouraged to read the Initial Consultation document – to be published early July, and the summary documents available via the following link: <http://www.nationalgrid.com/uk/Gas/soincentives/SupportingInfo/>

Please be aware that the Initial Consultation and accompanying workshop described above are not intended to cover the Gas SO Incentives effective from 1 April 2013 onwards.

*Please note change to meeting start time from 12:30pm to 1:00pm

**Please also note location change from Radisson Grafton to Elxon's Office