

1 April 06 Charge Revisions

Contents

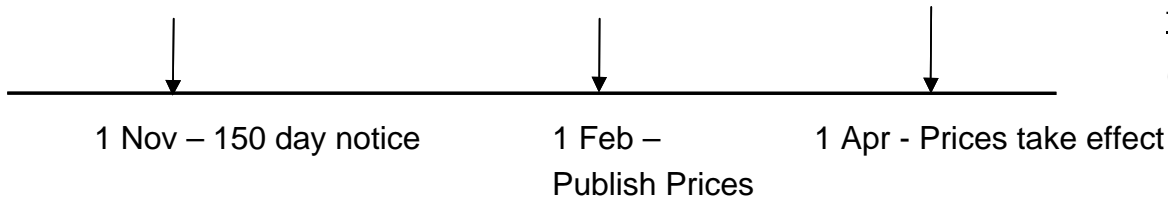
- ◆ timetable for annual revisions
- ◆ current levels of charges
- ◆ expected levels of charges for 1 April 2006

Timetable for annual charging revisions

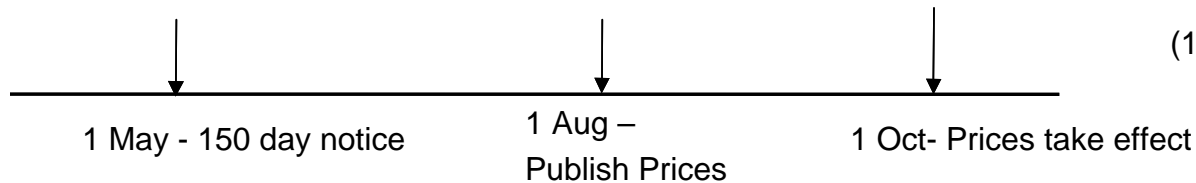
- ♦ Revised each April/October
 - ♦ 150 days Indicative notice
 - ♦ Charges published 2 months prior to charge change

Timeline for annual review of transportation charges

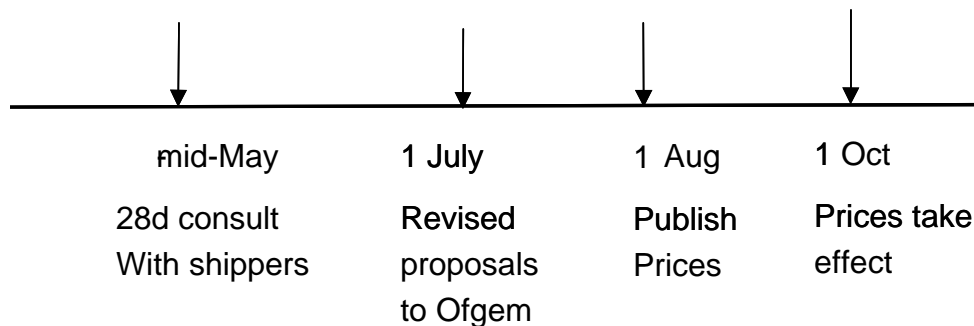
(1 Apr implementation date)



(1 Oct implementation date)



Timeline for annual review of IECR charging methodology



Current TO and SO Commodity Charges

- ◆ TO Commodity Charge:
 - ◆ Introduced from 1 October 2004, and set at following levels :
 - ◆ From 1 Oct '04 : 0.0071 p/kWh
 - ◆ From 1 April '05 : 0.0000 p/kWh
 - ◆ From 1 Oct '05 : 0.0079 p/kWh
- ◆ SO Commodity Charge (combined entry & exit):
 - ◆ From 1 Oct '04 : 0.0176 p/kWh
 - ◆ From 1 Apr '05 : 0.0202 p/kWh
 - ◆ From 1 Oct '05 : 0.0254 p/kWh

Expected Charges for 1 April 2006

- ◆ Revised prices to be published by 1 February, and expected to be broadly in line with 150 day notice letter :
 - ◆ TO Commodity Charge: expected to be zero
 - ◆ SO Commodity Charge: minimal change expected, and should be within range indicated in 150 day notice letter (i.e - 5% (0.0242 p/kWh) to +11% (0.0282 p/kWh))
 - ◆ TO exit capacity charges : minimal changes expected

Where are the prices published ?

- ◆ Charging Statements

- ◆ Statement of Transmission Transportation Charges
- ◆ LTSEC Auction Invitation Letter
- ◆ LNG Storage Charging Statement
- ◆ Metering Charging Statement

- ◆ Web site

Electronic versions of both “The Statement of the Transmission Transportation Charging Methodology” and “The Statement of Gas Transmission Transportation Charges” can be found on National Grid’s Internet site at www.nationalgrid.com/uk/gas