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Re: National Grid Company's interest in Lattice Energy Services, A consultation paper, July 2003: Consultation Response

Dear Sir

Israel Chemicals Limited (ICL) purchased Cleveland Potash Ltd (CPL) in April 2002 and have been extremely disappointed with the subsequent construction delays and very poor availability of the CHP plant.

It is comforting to note that the UK has an industry regulator that clearly lays out conditions that must be met by large organisations such as NGT so they do not take unfair advantage of the system, or of customer companies.

ICL trusts that Ofgem will not accede to the request of NGT for an extension to the disposal of the CPL CHP plant so that so called "uncertainties" associated with NOx can be resolved. The extension request is unnecessary and would only prolong the mismanagement and poor availability of the plant.

NGT appear to fail to accept that the condition of the plant makes it worth less than they believe. All possible willing buyers other than CPL have examined the plant and walked away as they are not prepared to contemplate a deal that is acceptable to NGT.

While ICL and CPL are not against the sale of the plant to any reputable CHP company, CPL is willing to purchase the plant to regularise its management and operation as soon as possible. Allowing NGT more time to dispose of the plant is unlikely to produce a better result for them and their shareholders and will only prolong the harm to their customer, CPL.

Yours faithfully

Yarom Ariav
CEO
ICL Fertilizers Europe