

National Grid House Warwick Technology Park Gallows Hill, Warwick CV34 6DA

Robert Hull Director of Transmission Ofgem 9 Millbank London SW1P 3GE Chris Bennett Transmission Regulation Manager

chris.bennett@uk.ngrid.com Direct tel +44 (0)1926 655959 Direct fax +44 (0)1926 656520

www.nationalgrid.com

11 May 2006

Dear Bob

National Grid response to the proposed incentive arrangements for the provision of NTS entry capacity at Milford Haven

Please find attached the response to the proposed incentive arrangements for the provision of NTS entry capacity at Milford Haven written on behalf of National Grid Gas plc in its capacity as the holder of a gas transporter licence in respect of the National Transmission System ("National Grid Gas NTS").

In the meantime, if you require any further assistance, please do not hesitate to contact me.

Yours sincerely

By email

Chris Bennett