

11 April 2008

### Centrica Storage Services – Post 2009/10

As you may be aware from recent announcements to the market Centrica Storage (CSL) is planning to change its standard storage contract (SSC) from storage year 2009/10. These changes will allow us to offer our customers an exciting new range of products and greater flexibility in their storage purchasing options. The changes will also provide a way for our customers to manage their entry capacity exposure.

The proposed changes have come about primarily as a result of responding to customers' recent demand for CSL to provide a greater range of storage products with different risk profiles and lead times. As a result of this I am delighted to announce that CSL is now willing to offer, subject to changing the SSC, the option for customers to buy storage services bundled with transportation capacity. This new service will be delivered direct to the NBP and will be called C STORE. You can find out more information about C STORE on our website [www.centrica-sl.co.uk/cstore](http://www.centrica-sl.co.uk/cstore)

As you will be aware CSL has to sell all minimum Rough capacity (455 m/SBUs) under the terms of the SSC. Following the changes in the SSC we intend to offer C STORE alongside the existing standard storage service which is delivered at the Easington entry point on both a within day and day ahead basis. The services making up the minimum Rough capacity will therefore include;

- C STORE within day – entry paid services to the NBP with short lead times;
- C STORE day ahead – entry paid services to the NBP with no firm nomination changes allowed after 04:00 D-1 (2 hours before the gas day);
- Standard (S STORE) within day – the classic CSL storage service delivered to/from the storage connection point at Easington; and
- Standard (S STORE) day ahead - a storage service delivered to/from the storage connection point at Easington with no firm nomination changes allowed after 04:00 D-1 (2 hours before the gas day).

As part of the process of changing the SSC we plan to carry out a consultation process with our customers and participants in the market. We currently envisage that the consultation process will be completed in July 2008 and that the new products will be available to customers from that point.

CSL will start the consultation process with an industry workshop on the 15<sup>th</sup> April at Altitude, Millbank Tower, London where the CSL team will present the new range of storage services which will make up the minimum Rough capacity.

Customers will have the opportunity to purchase one or more of these services. Further details on the interaction of these storage services will be presented at the C STORE workshop and I do hope you will be able to join us. In the meantime if you would like to discuss any aspect of C STORE please do not hesitate to contact the sales and marketing team on +44 (0)1784 415 304 or [salesandmarketing@centrica-sl.co.uk](mailto:salesandmarketing@centrica-sl.co.uk)

Yours sincerely



Bruce Walker  
Managing Director