

Julian Majdanski
UNC Modification Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
West Midlands
B91 3 QJ
30th October 06

Mod Ref 0112
Name Simon Howe
Phone 01905 340720

E-Mail Simon.howe@npower.com

Dear Julian,

Representation for Modification Proposal 0112 "Aggregation of Credit Positions or Use of Group Ratings"

On behalf of RWE npower, I would like to thank you for the opportunity to respond on Modification Proposal 0112. RWE npower does not support the implementation of this modification proposal as we believe there are no appropriate safeguard in place to manage potential risk associated with the use of such tool.

RWE npower believe that the issues required to be addressed to determine enforceability of Guarantors domiciled outside England and Wales needs to be defined and the information which is required to support the credit process must be detailed within the legal text highlighting what the credit agency requires and not the party being guaranteed.

We wish to further state that the legal text is unacceptable as Section V; paragraph 3.4.5 is about bank deposits thereby the proposal alienating letter of credit etc (paragraph 3.4.6).

For reasons highlighted above, RWE npower will not be supporting the implementation of this modification proposal. The modification Proposal as it stands does not facilitate the securing of effective competition between relevant shippers.

Should you like to discuss the above please do not hesitate to contact me

Yours sincerely,

Simon Howe

npower

Oak House
Bridgwater Road
Worcester WR4 9FP

T +44 (0)1905/34 05 21
F +44 (0)1905/34 04 88
I www.npower.com

Registered office:
Npower Limited
Windmill Hill Business
Park
Whitehill Way
Swindon
Wiltshire SN5 6PB

Registered in England
and Wales no 3653277

Gas Network Codes Manager