

Representation For.0005(0726)

"Provision of a Guarantee of Pressure for Meter Points operating above 21 mbar by
the Relevant Transporter"

Version 1.0

From: Heidi Martin, Phone 01905 340404, heidi.martin@npower.com

11th August 2005

Dear Julian,

Thank you for the opportunity to respond on Mod 0005. RWE npower are supportive of this modification as it clarifies the contractual position in the UNC by formalising the provision of enhanced pressure arrangements.

RWE npower were involved in the development of this modification in the SPA Billing Workstream and the Distribution Workstream. We agree with the proposer that in light of DN Sales there is less certainty that Consumers can expect to receive an elevated pressure.

We are worried that Consumers have invested in plant and equipment that requires the higher pressure, if this pressure was to be reduced at the ECV it could render the plant useless. We do not believe that Consumers should be forced into a situation whereby they have to invest in Compression equipment to bring the pressure back to the required level.

With the continued changes/reforms within the gas industry like Interruption Reform we believe that this proposal will help to give comfort to Consumers who are looking to make long term investments. We also believe that this certainty can only serve to help the DNs in their management of their Networks.

We believe that no costs should be incurred by the Consumer for formalising their continuation of provision of enhanced pressure. We also agree that it is appropriate that in cases of new loads/or increasing existing loads costs should be passed on to the Consumer.

The Proposal identifies pressures at 21mbar as the lowest pressure level at which this arrangement applies, so by inference there is no upper limit to which this arrangement should apply. If this mod is approved, we would expect that the legal text would make this clear so that all end consumers fully understand their position.

Ultimately we are interested in protecting the interests of our Consumers and we believe that this modification proposal helps to facilitate this.

I would be happy to discuss any of the issues raised with you.

Yours sincerely,
Heidi Martin
Gas Network Codes