

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 0113
Name Simon Howe
Phone 01905 340720

E-Mail Simon.howe@npower.com

Dear Julian,

Representation for Modification Proposal 0113 "Availability of Unsecured Credit Based on User Payment Record or Independent Assessment"

On behalf of RWE npower, I would like to thank you for the opportunity to respond on Modification Proposal 0113. RWE npower support the implementation of this modification proposal as we believe it would ensure appropriate levels of unsecured credit are available to Users who would not normally qualify for an Unsecured Credit provided by either 'approved agencies' Moody's and Standard & Poors or through Public Ratings.

The fact that Users with a good payment history can obtain an Unsecured Credit level of up to 2% over a five year period of unblemished payment record, or through an independent Assessment will help to facilitate the securing of effective competition between relevant shippers. If however, a User missed the payment of an invoice by its due day then its unsecured credit reverts to 0% without any exception of previous good payment history. We believe this will encourage Users to pay due invoices in a timely fashion so as to benefit from this arrangement.

RWE npower believe that the implementation of these alternative means of obtaining Unsecured Credit would increase contractual risk to Transporters but it also provides Users with alternative means of obtaining unsecured credit from Transporters.

For reasons highlighted above, RWE npower will be supporting the implementation of this modification proposal. The modification Proposal to make available

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

unsecured credit based on User payment record or through independent assessment will help to 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
Gas Network Codes Manager