

Representation

Draft Modification Report

0381 - Removal of the NTS Exit (Flat) Capacity "deemed application" process

Consultation close out date: 12 September 2011

Respond to: enquiries@gasgovernance.co.uk

Organisation: **RWE Npower plc / RWE Supply & Trading GmbH**

Representative: Charles Ruffell

Date of Representation: 9 September 2011

Do you support or oppose implementation?

Support * *delete as appropriate*

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

We support the "ticket-to-ride" principle and agree with the proposer that the current overrun arrangements provide sufficiently strong incentives for Users to book an appropriate level of exit capacity. On this basis, the deemed application process is a disproportionate additional mechanism and has the potential to introduce significant inefficiency into the enduring exit capacity regime.

Are there any new or additional issues that you believe should be recorded in the Modification Report?

Should 0381 be implemented, the magnitude and frequency of any overruns that do occur should be monitored to determine the continued effectiveness of the overrun arrangements.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We agree that implementing this proposal will have a positive impact on Code Relevant Objectives:

a) Efficient and economic operation of the pipe-line system.

and

d) Securing of effective competition:

(i) between relevant shippers;

(ii) between relevant suppliers; and/or

(iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers

Impacts and Costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

None.

Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

None.

Legal Text:

Are you satisfied that the legal text will deliver the intent of the modification?

Yes.

Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.

Nothing further.