

**Representation For. 0030**  
"Extension of the QSEC auction timetable for 2005"  
Version 1.0

**Date of Communication:** 19/07/2005  
**External Contact:** Charles Ruffell (RWE Npower Plc)  
**Slant:** Against  
**Strictly Confidential:** No

**Abstract**

Mr Julian Majdanski  
Secretary, Modification Panel  
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Your ref 0030  
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Modification Proposal 0030: Extension of the QSEC auction timetable for 2005.

Dear Julian

Thank you for inviting us to comment on this modification proposal.

RWE npower does not support implementation of modification proposal 0030.

Both Ofgem and Transco have previously indicated that the entry regime would not be amended for the duration of Transco's current formula period. We believe that this is a principle that should be adhered to and therefore do support changes to reserve prices, as implied by proposed methodology changes.

Any fundamental methodological changes will, in our view, undermine confidence in the arrangements. The perception of increased regulatory may distort bidding behaviour and weaken signals as shippers/developers may be unwilling to take on longer-term commitments.

Any changes to the QSEC and general auction arrangements should be managed within Transco's upcoming NTS price control review. In the short-term, we do not support adjusting current UCAGs for the existing entry points and on this basis see no need to delay the auctions planned for September.

We hope these views are helpful and would be happy to discuss matters further.

Yours sincerely

By Email So Unsigned

Charles Ruffell  
Economic Regulation