

Mr. Julian Madjanski Joint Office of Gas Transporters First Floor South 31 Homer Road Solihull West Midlands B91 3LT

Your ref Our ref Chris Hill Name Phone 01905 340589 E-Mail christian.hill@rwenpower.com

January 8, 2008

Re: Proposed UNC Modification 0172: Transporter Obligations Pertaining to Void and Vacant Sites

Dear Julian,

As the proposer, RWE Npower supports the above Proposed UNC Modification.

As pointed out in the Modification document, Users may sometimes wish to isolate a meter point for commercial purposes while remaining the Registered User of that meter point.

However, concerns have arisen over the potential situation whereby a site with an isolated meter point might be demolished. Once this has taken place, there is no longer any commercial incentive to leave the meter point registered as isolated and it needs to be withdrawn as quickly as possible.

Under the Building Act 1984, any party engaged in demolition of a site is required to contact the local gas Transporter in order to enable that Transporter to make safe the gas supply to the site before demolition is carried out. We are aware that notice is often received well ahead of time or is provided but then does not result in demolition so we have therefore proposed that the Transporter be obligated under the UNC to inform Users of disconnections that they have actually carried out in line with notice of demolition received under the Building Act.

Once such disconnection has taken place it will then be very straightforward for the Transporter to identify the MPRN and inform the relevant User so that the meter point or points involved can then be withdrawn from the Sites and Meters database by that User.

We feel that this obligation is particularly important as a domestic supplier such as Npower may not always be aware as to whether or not a domestic site has been demolished, particularly if it has been unable to establish contact with the resident for a significant period of time.

There is also a strong commercial incentive behind our raising of the Proposed Modification out of the Proposed Modification of the Proposed Modification out of the Proposed Modification of as a meter point can only be withdrawn from the Sites and Meters database by the relevant User with whom that meter point is registered. Capacity charges are still paid for isolated meter points and if the User is unaware of such demolition of a site containing an isolated meter point it will be continuing to pay these charges for a meter I www.npower.com point which no longer exists and has no prospect of being switched back to live status at any time in the future. This situation cannot be conducive to the furtherance of

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Standard Special Condition A11.1 (a) relating to the efficient and economic operation of the pipeline system as costs are being paid when none are being incurred as the relevant meter points for which charges are being levied no longer exist in this case.

We are aware that there are instances of demolitions being carried out illegally with disconnection of supply being carried out by someone other than the relevant gas Transporter or sometimes not at all. In such instances we would not hold the Transporter liable for failing to inform us of disconnection as they obviously cannot tell us if they do not know.

It is our opinion that the Proposed Modification will be of benefit from a competition and economic efficiency point of view. Better cost allocation as a result of the decision to withdraw additional MPRNs would support competition. In addition, effective validation of transportation and other charges will be possible. This will benefit the furtherance of Standard Special Condition A11.1 (d) (ii) by ensuring the correct allocation and validation on costs.

Finally, we would like to point out that, although the Transporters already provide Users with a list of "dead" meter points, an isolated meter point is not a dead one. However, we appreciate their efforts and feel that it would be only a small further step to provide us with notice of disconnections carried out prior to demolition which, as pointed out earlier, they are the only to parties to which information of planned demolition is required to be given under statute.

If you wish to discuss any points raised in this response further, please do not hesitate to contact me.

Regards,

Chris Hill

Gas Codes Analyst