

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

Your ref  
Our ref  
Name Sham Afonja  
Phone 01905 340718  
Fax  
E-Mail shamsudeen.afonja@npower.com

December 5, 2008

**Re: Proposed UNC Modification 0233 "Changes to Outstanding Energy Balancing Indebtedness Calculation"**

Dear Bob,

On behalf of RWE npower I would like to thank you for the opportunity to respond on Modification Proposal 233 'Changes to Outstanding Energy Balancing Indebtedness Calculation'.

This modification proposal alongside mods 234 & 235 were raised following the continued unprecedented financial economic downturn which is affecting a high number of financial institutions filing for bankruptcy, having its credit rating down graded and also unable to pay cash call due to sufficient funds and/or credit.

Following the reviews of the Energy Balancing Credit Rules and UNC Sections on Energy Balancing Credit Management in September 2008, the Energy Balancing Credit Committee came up with the conclusion that further areas of the UNC needs to be further tightened in order to minimise potentially, financial risk to Users' should a defaulting User is unable to pay a cash call. It was also recommended that Users should be able to provide more up-to-date data and that National Grid NTS should be able to process an adjustment if it has more up-to-date data within its system.

RWE npower supports the implementation of Mod 232. We agree with the proposer that the two elements (Users' Ability to Appeal against Cash Call Notices & National Grid NTS's ability to process adjustments to a User's Outstanding Balancing Indebtedness) as detailed within the Draft Mod Report would allow for sufficient time and provide a more flexible approach to resolving and anticipating Users' Energy Balancing position.

We would however like to point out an error as detailed in Page 2, paragraph 4 of the Draft Mod Report. We believe that the UNC Section referenced should be X2.5.2 (c) and not Section X2.5.1(c).

Should you wish to discuss any of the above please do not hesitate to contact me.

Regards,

Sham Afonja

Gas Codes & Agreements Analyst

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