

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

Your ref
Our ref
Name Chris Hill
Phone 01905 340411
Fax
E-Mail christian.hill@rwenpower.com

January 9, 2009

Re: Proposed UNC Modification Proposal 0239: "Reinstatement of NTS Interruption"

Dear Tim,

RWE Npower supports the above Proposed UNC Modification.

Following delays to the implementation of NTS Exit Reform, it seems pragmatic that Interruption at NTS level be reinstated in order to allow National Grid Transmission (NG) to deal with constraint issues on the high pressure system after October 1, 2011 when the Revised DN Interruption Arrangements laid out in UNC Modification 090 take effect.

Under UNC Modification 090 NG will be unable to request Interruption at DNO level in order to ease NTS constraints as at present. In addition, the Exit Capacity buyback system laid out in all Proposed UNC Modifications relating to Exit Reform (apart from 0116A) will be unavailable until October 1, 2012.

During the one year period between these two dates, it is therefore possible that a transportation constraint at NTS level could quickly escalate into a Gas Emergency situation as NG would not have any tools to deal with this other than the potentially less economic and efficient actions of buying back Entry Capacity or utilising Operating Margins gas or indeed carrying out potentially highly inefficient reinforcement of the high pressure network in anticipation of such a situation.

Clearly it is not in the interests of the market or the relevant objectives that such a situation be allowed to arise along with the increased attendant risk that this would entail and we therefore consider it appropriate that Interruption be reinstated at NTS level for the foreseeable future as the most logical and efficient course of action.

Nevertheless, even with reinstatement of NTS Interruption we remain concerned that the risk of a transportation constraint escalating into a Gas Emergency may still remain. If there are no NTS interruptible sites in a particular area (as we believe is currently the case in the SC, NE, WM, EM, SW, WN & WS LDZ areas) it is not immediately obvious whether NG would have the tools necessary to address a transportation constraint were it to occur in such an area. Whilst we accept this is an issue NG will need to address with the HSE via its Safety Case, we would welcome further information from NG about the extent to which this risk can be fully mitigated by reinstatement of NTS Interruption. We would also like to better understand the extent (if at all) to which NG's recently

[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

published statement on OM Gas requirements for 2011/12 is impacted by the reinstatement, or not, of NTS Interruption.

Such information will help shippers at NTS interruptible sites to better assess the risk of Interruption and hopefully provide greater reassurance regarding gas security of supply to shippers as a whole, which in turn should facilitate greater system efficiency and more effective competition.

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