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17th March 2009

Modification Proposal: 0243 – Amendments to the process for initialisation of Enduring NTS Exit (Flat) Capacity at the Moffat NTS Exit Point

Dear John,

RWE npower understands that capacity holders in the three separate jurisdictions downstream of Moffat continue to harbour concerns about the potential consequences of upstream and downstream capacity becoming de-linked as a result of the current certification process being discontinued on implementation of Modification Proposal 195AV.

To this extent we are prepared to support the Proposal in its desire to seek to extend the deadline for initialisation of Enduring Annual NTS Exit (Flat) Capacity at Moffat until May 2011 at the latest, although we are somewhat disappointed that it has been raised at such a late stage of proceedings. This should allow downstream shippers/agents time to develop formal arrangements for establishing some form of practical upstream/downstream capacity linkage consistent with the new enduring exit regime, which may for example provide for an ongoing role for an Exit Capacity Booking Agent. Also downstream shippers/agents may use the intervening period to get more comfortable with the measures that already exist in Modification Proposal 195AV to protect against upstream capacity foreclosure at Moffat, such that a process for linking upstream/downstream capacity is ultimately felt to be unnecessary.

We assume that the right to appoint an Exit Capacity Booking Agent at Moffat will be extended in line with the extended initialisation period, although this is not specified in the Proposal.

Also we also note that as a consequence of the Proposal Shipper Users will not be in a position to signal any requirement they may have for incremental Enduring Annual NTS Exit (Flat) Capacity until May 2010 at the earliest, which means that NG will not be able to make such capacity available until October 2013. However, bearing in mind the current baseline at Moffat this may not be a material concern.

Yours sincerely,

Steve Rose*
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* sent by e-mail therefore not signed

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