

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 0121 336 5260 Fax E-Mail christian.hill@rwenpower.com

January 8, 2010

## Re: Proposed UNC Modification Proposal 0231V: "Changes to the Reasonable Endeavours Scheme to Better Incentivise the Detection of Theft"

Dear Tim,

RWE Npower supports the above Proposed UNC Modification. We agree with the Proposer that the current financial provision for costs made under the Reasonable Endeavours Scheme could be regarded as insufficient to act as an incentive to such detection.

Theft of gas is a serious issue, both from a health and safety and financial point of view, and it is important that energy suppliers are able to recoup at least a reasonable proportion of the costs that they are likely to incur in recovering monies from those who misappropriate energy. It would also seem logical that an issue of this magnitude be incorporated within the governance of the UNC by means of a UNC Related Document.

The increase of the compensation level available to Shippers under each claim type from £125 to £1000 should go a considerable distance towards proper incentivisation to detect theft, while moving the governance arrangements from the Transporter Licence into the UNC will create a suitable regulatory framework for the Reasonable Endeavours Scheme to develop further in the future.

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

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