

Third Energy Package Option Representation

Please provide a response by: dd February 2011

Organisation: **RWE npower**

Representative: Jonathan Wisdom

Date of Representation: 21 February 2011

There is an option to reduce the Objection Window to 3-5 days and the confirmation window to 5 days to achieve a 3 week switch as directed by EU. A further option has also been identified to treat Bank Holidays as working days for SPA processes.

Q1. Do you support any of these proposals?

We believe that reducing the Objection and Confirmation window to 5 days each is appropriate. The change associated to treat Bank holidays as working days does not appear to be as workable and would have potential knock on effects on other processes that are not easy to diagnose in the first instance. Reduction in the windows will result in a more stable solution which allows room for possible data issues.

Q2. Please specify your preferred method to achieve the changes proposed i.e. which process or processes should be reduced and by how many days

The reduction of the Objection/Confirmation windows to 5 days each will result in the most equitable outcome and provide the most robust solution. We believe that other solutions will require refining and/or rely on too many manual processes to be viable.

Q3. Impacts and Costs:

What analysis, development and ongoing costs would you face if this change were implemented?

The move to objection/confirmation windows of 5 days would not carry a great deal of cost individually but will require a long period of impact assessment. Removing Bank holidays we anticipate would have severe knock on effects on other processes and require a very detailed impact assessment.

Q4. Implementation:

What lead-time would you require prior to this modification being implemented, and why?

We believe that we would need up to 12 months to appropriately assess, design and implement a solution to reduce the Objection and Confirmation windows to 5 days each. This is due to understanding and appropriately scoping the wider impact this may have on other processes as this could potentially become complex.

Q5. Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.

We recognise that this will also be an issue for the Independent Gas Transporters as well as for the Large Transporters and would encourage them to adopt the same method to ensure that the industry remains as consistent as possible.