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## Gas Distribution Price Control Review - Cost Reporting Consultation

Dear Kieran,

RWE npower welcomes the opportunity to comment on the above consultation and does so on behalf of all its licensed gas businesses.

We welcome Ofgem's intention to introduce annual cost reporting of pertinent aspects of gas distribution price control, through a regulatory reporting pack (RRP) similar to that which now exists in electricity distribution. We believe that the information Ofgem propose be included in the RRP is appropriate and necessary for Ofgem to carry out its regulatory duties. It will also allow shippers/suppliers to gain a better understanding of GDN performance against elements of the price control formula during the price control period, rather than simply at the end of the price control period.

Publication of RRP data should help shippers/suppliers to better predict the future direction and magnitude of gas distribution charges. However, this information alone will not be sufficient, hence we have raised UNC Modification Proposal 160. This seeks to make pertinent information about GDNs performance against forecast costs and allowed revenue available to shippers throughout each formula year of the next gas distribution price control.

We are not best placed to comment on the detailed issues contained in the consultation, such as timetable, auditing RRP or regulatory accounting and consider these to be issues which will need to be agreed between GDNs and Ofgem. However, as regards provision of xoserve data, we believe the obligation to provide such information should rest with the GDNs. Including xoserve data within the scope of the GDNs licence obligations should help to ensure complete and accurate information is made available, although if GDNs choose collectively to delegate responsibility for providing this to xoserve, possibly through an amendment to the Agency Service Agreement, so be it.

Yours sincerely,

Steve Rose  
Economic Regulation

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