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### **GDPCR: Initial Licence Drafting Consultation**

Dear Joanna,

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

We have not reviewed the initial licence drafting in detail at this stage and will wait until the final proposals are determined before undertaking such an exercise. However, broadly speaking we believe the initial licence drafting is a fair reflection of the proposals and obligations contained in the GDPCR Initial Proposals document published in May.

Whilst we do not agree with Ofgem's proposal to introduce a User Pays element to xoserve funding we recognise that the proposed licence drafting should reflect the GDPCR Initial Proposals. However, we are concerned that the licence drafting of Standard Special Condition A15 does not appear to require DNs to consult shippers when preparing their joint agency charging statement for user pays services.

Whilst it is not standard practice for transporters to consult on changes they propose to make to their level of charges, "the statement" (as defined in this condition) goes beyond a simple statement of charges and includes both the methodology for deriving these charges and the scope of the core services and user pays services. These are matters which shippers have a material legitimate interest in, and not allowing them the opportunity to comment could lead to an unwarranted extension of User Pays services or an inefficient application of User Pays charges, both at considerable cost and consequence to a shipper's business.

We suggest therefore that the drafting of this clause needs to be amended to include a period of consultation with interested parties, or to it make clear that the scope of User Pays services and the methodology for deriving the charges for these services fall within the provisions of Standard Licence Condition 4A.

Yours sincerely,

Steve Rose  
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