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**Statutory consultation on proposed modification of the special conditions of National Grid Gas plc's gas transporter licence
November 2010**

Dear Lewis

We welcome the opportunity to comment on this consultation. This response is provided on behalf of the RWE group of companies, including RWE Npower plc and RWE Supply and Trading GmbH.

We support the principle of exit capacity substitution and revision but remain concerned that reducing NTS flexibility will increase costs in the gas and power markets and that these will outweigh any investment efficiency achieved. The range of costs and benefits has not been fully assessed during the workshops and we therefore welcome Ofgem's intention to undertake an impact assessment. In order for the Authority to consider fully the exit capacity substitution and revision methodology statements, we support the proposed licence modification to extend the available consultation period to three months.

If you wish to discuss any aspect of our response, please do not hesitate to contact me.

Yours sincerely

By email, so unsigned

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