Ron Jeffries, the coach on Chrysler's C3 project, describes his approach:

What I do (as opposed to how I talk) is that when someone is transgressing rules in some way, I'll have a talk with them. Usually something bad will have happened, which lets us begin by agreeing that something bad shouldn't happen again. I relate the rules to the bad effect in an impersonal way:

"The UnitTests weren't run before the code was released. The UnitTests would have shown the problem. That's why we insist on running them every time. We're fallible, the computer isn't."

Usually the problem won't occur again. Also I watch the person and nag them a few times in a friendly way.

Perhaps most importantly, I'd coach the other team members to watch out for the bad behavior when partnering. In other words, gang up on him.

If it does happen again, I'll have a still friendly but serious chat that says "Everyone in the group really does have to follow the rules." Since they're programmers, they can do the math on people who don't follow the rules.

If it happens a third time, I would politely but gently remove them from the group. If removing them isn't possible, I'd make it turn out that they didn't get to work on anything important. [...]

ExtremeProgramming (and leadership in general) is a work of love. If you don't respect others, you're not doing it right. I try always to let my great respect show through for people who try hard to do the right thing. And sure enough, they do try, in almost every case. The others, who are perhaps trying in some way I don't understand... I respect them too... and wish them success elsewhere.

Ron Jeffries, http://c2.com/cgi/wiki?EnforcingMethods