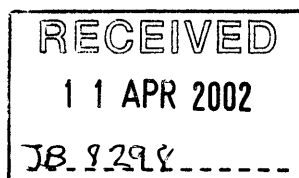


Toll End Road
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Tel: 0121 530 7541
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Our Ref: AKP/JA
Your Ref:



10th April 2002

John Benson
Ofgem
9 Millbank
London SW1P 3GE

Dear John

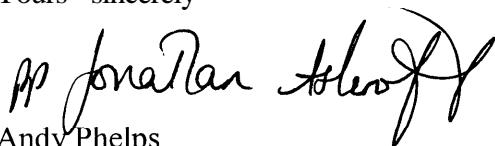
Development Of Multiple Interruption And Other Standards For Electricity Distribution – Consultation on Draft Determination of Overall Standard and Implementation Arrangements for Guaranteed Standard

Further to publication of the draft Regulations, I am writing regarding the target set for GPU in the Overall Standard. As with our letter of 20th February, we remain opposed to the setting of a 98% Overall Standard for GPU. Whilst we were unable to initially provide robust data, subsequent analysis shows 3.4% of GPU customers are interrupted on 6 or more occasions for a period greater than 3 minutes. Our reported performance is therefore in line with those companies that have been given targets of 96%.

The interim review of incident reporting systems by BPI in March 2002 identified GPU's connectivity model as being robust, lying behind the Network Management System which they regard as "second to none". This not only demonstrates the accuracy of our analysis, but reflects more accurate reporting of interruptions compared to other companies. Furthermore such a target is corroborated by the relative performance of our network compared with those distributors who have been set an Overall Standard of 96%, with regards to customer interruptions and CMLs.

We therefore believe and expect our Overall Standard to be revised to 96% in the re-drafting to be approved by the Secretary of State. If you have any further questions, please do not hesitate to call myself, or Jonathan Ashcroft on 0121 530 7541.

Yours sincerely



Andy Phelps
Director of Regulation & Finance