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09 April 2002

Dear John

### **Multiple Interruption Development**

Thank you for the opportunity to comment on the final stages of the implementation of the Multiple Interruption standards. We are pleased that many of our comments have been thoughtfully considered by Ofgem. We have comments on three remaining points.

#### ***Pre arranged exclusion***

The wording used in the determination for Service 5 does not specifically exclude pre-arranged interruptions. Pre-arranged interruptions might be organised to deal with the effects of "failure of, fault in, or damage to" a DNO's equipment and could therefore arguably be said to be included in the calculation. To obviate this confusion the wording should specifically exclude interruptions notified under EGS4.

#### ***Efficient Costs***

We are still concerned by the implications behind Ofgem's use of the word "efficient" in respect of cost recovery. Your paper clearly lays out the reasons why companies should be able to recover their reasonable costs for the introduction and operation of this standard. We do not accept the notion that some analysis can be performed to determine what is an efficient level of costs, as this implies a normalization exercise to adjust for company specific factors.

We agree that Ofgem should take steps to reimburse only companies' reasonably incurred costs, and subject to demonstration that costs are so incurred, we would expect to recover them in their entirety.

#### ***Short term restorations***

We support the exclusion of restorations of supply of less than three minutes from the calculation of the guaranteed standard.



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