

## **Western Power Distribution (South Wales) plc**

### **DIRECTION UNDER PARAGRAPH 8 OF SPECIAL CONDITION G OF THE DISTRIBUTION LICENCE**

Whereas:

1. Western Power Distribution (South Wales) plc (“the Licensee”) is the holder of a licence (“the Licence”) treated as granted under section 6(1)(c) of the Electricity Act 1989 (“the Act”) to distribute electricity for the purpose of giving a supply to any premises or enabling a supply to be so given in its authorised area for the term and upon the conditions specified in the Licence;
2. The Gas and Electricity Markets Authority (“the Authority”) has carried out a consultation exercise in accordance with paragraph 10A of Special Condition G (“the Condition”) of the Licence;
3. The Authority has considered the representations made by the Licensee and had regard to all relevant information and circumstances; and
4. Pursuant to paragraph 8 of the Condition Mott MacDonald and British Power International (together known as “the examiner”) have specified that the level of accuracy of:
  - the number of interruptions to supply (CI) at the Low Voltage level;
  - the number of interruptions to supply (CI) at the Overall level;
  - the duration of interruptions to supply (CML) at the Low Voltage level;

are less than the level of accuracy specified for such information in the Regulatory Instructions and Guidance.

Now, for the reasons specified in the notice issued pursuant to paragraph 10A of the Condition and in a notice issued to the Licensee under section 49A of the Act, and so as to mitigate any distortion arising from the inaccuracy identified by the Examiner, the Authority directs under paragraph 8 of the Condition that in Table A below the data in columns C and D shall be substituted for the specified information in columns A and B respectively for the purposes of paragraph 7 of the Condition.

**Table A: Adjustments to 2001/2 performance data for inaccuracy (WPD S. Wales)**

|  | A  | B            | C  | D            |
|--|--|--------------|--|--------------|
|  | Reported performance figures for 2001/02 |              | Adjusted performance figures for 2001/02 |              |
|  | CI                                       | CML          | CI                                       | CML          |
| HV & above                                 | 122.43                                   | 80.92        | 114.38                                   | 80.92        |
| LV   | 5.89                                     | 9.59         | 6.27                                     | 10.83        |
| NGC or other transmission company          | 0.00                                     | 0.00         | 0.00                                     | 0.00         |
| Embedded generators                        | 0.00                                     | 0.00         | 0.00                                     | 0.00         |
| Other connected systems                    | 0.08                                     | 0.02         | 0.07                                     | 0.02         |
|  |  |              |  |              |
| Overall CI & CML for 2001/2                | 128.40                                   | 90.53        | 120.73                                   | 91.77        |
| <b>Overall CIIS &amp; CMLIS for 2001/2</b> | <b>128.32</b>                            | <b>90.51</b> | <b>120.65</b>                            | <b>91.75</b> |

## **Western Power Distribution (South Wales) plc**

### **DETERMINATION UNDER PARAGRAPH 7 OF SPECIAL CONDITION G OF THE DISTRIBUTION LICENCE**

Whereas:

1. Western Power Distribution (South Wales) plc (“the Licensee”) is the holder of a licence (“the Licence”) treated as granted under section 6(1)(c) of the Electricity Act 1989 (“the Act”) to distribute electricity for the purpose of giving a supply to any premises or enabling a supply to be so given in its authorised area for the term and upon the conditions specified in the Licence;
2. The Gas and Electricity Markets Authority (“the Authority”) has made a direction under paragraph 8 of Special Condition G (“the Condition”) of the Licence that the value of  $CIIS_t$  in respect of the year commencing 1 April 2001 is 120.65 and the value of  $CMLIS_t$  for that year is 91.75;

Now the Authority determines in respect of the Licensee under paragraph 7 of the Condition that:

- (1) the value of  $CIIS_t$  in respect of the year commencing on 1 April 2001 is therefore less than  $TA_t$  in respect of the relevant year commencing on 1 April 2004 in Annex A; and
- (2) the value of  $CMLIS_t$  in respect of the year commencing on 1 April 2001 is therefore less than  $TB_t$  in respect of the relevant year commencing on 1 April 2004 in Annex A;
- (3) the target  $TA_t$  in respect of the years specified in paragraph 7 of the Condition shall therefore be 152.8
- (4) the target  $TB_t$  in respect of the years specified in paragraph 7 of the Condition shall therefore be 129.2

and Annex A shall be modified accordingly.

## Western Power Distribution (South Wales) plc

### NOTICE UNDER SECTION 49A OF THE ELECTRICITY ACT

The Gas and Electricity Markets Authority (“the Authority”) hereby gives notice pursuant to section 49A of the Electricity Act 1989 (“the Act”) as follows:

1. The Authority has decided to give directions under paragraph 8 of Special Condition G (“the Condition”) of a licence (“the Licence”) treated as granted under section 6(1)(c) of the Electricity Act 1989 (“the Act”) to Western Power Distribution (South Wales) plc (“the Licensee”) to distribute electricity for the purpose of giving a supply to any premises or enabling a supply to be so given in its authorised area for the term and upon the conditions specified in the Licence.
2. The Gas and Electricity Markets Authority (“the Authority”) has carried out a consultation exercise in accordance with paragraph 10A of the Condition.
3. In summary, the effect of the directions is to revise the values of the specified information in column A of Table B below so as to be those set out in Column B of Table B below.

**Table B: Effect of the direction on the Licensee**

| Column A   | Column B |
|--|----------|
| CIIS <sub>t</sub> for the year commencing 1 April 2001         | 120.65   |
| CMLIS <sub>t</sub> for the year commencing 1 April 2001        | 91.75    |
| TA <sub>t</sub> for the years commencing 1 April 2002 and 2003 | 152.8    |
| TB <sub>t</sub> for the years commencing 1 April 2002 and 2003 | 129.2    |

4. The reasons why the Authority has decided to give these directions are set out in the Annex to this document.
5. A copy of the directions and other documents referred to in this notice are available (free of charge) from the Ofgem library (telephone 020 7901 1600) or on the Ofgem website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk))