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Our ref
RGW/347

Your ref

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Dear Andrew

REGULATION OF ELECTRICITY DISTRIBUTION LICENCE HOLDERS

With reference to your open letter of 31 May Western Power Distribution has the following comments.

We fully support the proposal to introduce balanced measures relating to the regulation of electricity distribution licence holders without distribution service area obligations and price controls. We believe that all customers should be afforded the same access to the competitive electricity supply market. Our response to the DTI on their consultation in respect of the Exemptions regulations from the Requirement for a Licence to Distribute Electricity stated that exemptions should be rare and that licence conditions should be standard. As far as possible private network operators should be required to operate to the same technical and customer service standards as the ex-PES and should contribute proportionately towards the costs of consumer protection.

We therefore welcome the specific proposals in respect of capping charges to domestic customers; reporting annually on quality of performance and financial ring-fencing. We believe they are consistent with affording consumer protection whilst minimising the regulatory and administrative burden.

Yours sincerely

R G WESTLAKE
Regulatory & Government Affairs Manager

