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91/05: Assessment of the Electricity Distribution Price Control Review Process

Dear Paul,

Thank you for the recent seminar on the above. We believe that it provided a useful opportunity for discussion and evaluation of the Price Control Review process.

As we noted in our responses of 17th January 2005 and 18th March 2005, we are still of the view that there is a need for greater transparency and exchange of information between Ofgem and industry during the Price Control Review process. Initiating a Suppliers/Customers forum to run in parallel with the routine Ofgem/ DNO meetings could do this. It may ensure that discrepancies between P0 figures and the resulting tariff changes are fully explained and signalled to the market at an early stage.

We were pleased to note at the seminar that Ofgem recognised this concern and agreed to look at the issue of information provision for the future.

As noted above, we support this type of post-event evaluation. It provides an opportunity for an exchange of views regarding the process and may lead to improvements for the future. We look forward to Ofgem carrying out similar reviews at the conclusion of other major projects.

If you wish to discuss any aspect of our response, please do not hesitate to contact me.

Yours Sincerely

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