



Joanna Whittington
Ofgem
9 Millbank
LONDON
SW1P 3GE

19 November 2007

Dear Joanna,

GDPCR: Initial licence drafting consultation ref: 221/07

I write here on behalf of both Northern Electric Distribution Ltd and Yorkshire Electricity Distribution plc, the licensed electricity distributors of CE Electric UK Funding Co, in response to the above consultation. I reference a telephone conversation on 19 November 2007 in which you suggested that I send you this letter, despite the consultation period having ended.

I am writing with specific reference to paragraph 3.26:

Provision of alternative heating and cooking facilities to priority domestic consumers (Regulation 9)

We agree that the need for gas distribution networks to provide alternative heating and cooking facilities to consumers, particularly priority services consumers, if there is an interruption to their gas supply is an important one and that the temporary issue of electrical appliances is the most sensible and obvious method for dealing with this issue. Our own experience suggests, however, that precautionary steps should be taken to ensure that the licence reflects the importance of doing this in consultation with the appropriate electricity distribution network operators, prior to consumers switching to the alternative electrical facilities.

In February 2007, we experienced difficulties with overloading on our network in the Crook area of County Durham when the electricity supply to thousands of customers was affected by gas consumers using electrical appliances during an interruption to their gas supply. The sudden increase in demand on our network was not anticipated and communication from the gas distribution company could have allowed us to redirect resources to prepare the network for additional loading or to discuss the implications with the gas distribution network operator. I therefore suggest that the licence obligation to be placed on the gas distribution network operator should be framed so that the issue of electrical appliances in these circumstances is required to be preceded by consultation with the relevant electricity distribution network operator together with an obligation to have regard to any representations received.

CE ELECTRIC UK FUNDING COMPANY

Registered Office: Lloyds Court, 78 Grey Street, Newcastle upon Tyne, NE1 6AF
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I hope that you understand our concerns and that you will agree that these could be addressed by direct communication between the gas and electricity distribution parties when interruptions to the gas supply occur that require electrical alternatives to be used and that you will make provision for this in the licence.

Yours sincerely

A handwritten signature in black ink that reads "John France". The signature is written in a cursive style with a large initial 'J'.

John France
Regulation Director