

Modification Proposal

Modification number: 0009N/2008 - Live jointing on unmetered connections

Modification of section 8.1 to reflect that certain live jointing activities on unmetered connections may be carried out on a contestable basis subject to a low voltage live working trial. It is proposed to modify the text in section 8.1 and table 3 of the existing Connection Charging Methodology and Statement for Northern Electric Distribution Ltd (NEDL).

| Date Submitted: 14 March 2008 | Version number: 1.0 |
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| Date Approved: | Date Rejected: |

Proposed Implementation Date: Next issue of the charging statement

Details of Proposal:

CE Electric UK proposes to modify the text in section 8.1 and the associated table to reflect that live jointing on low voltage service cables for unmetered connections is contestable subject to a low voltage live working trial. These additional words are proposed in the interests of clarity. This change would apply to both Yorkshire Electricity Distribution plc (YEDL) and Northern Electric Distribution Ltd (NEDL).

A change-tracked copy of our existing statement is attached for reference. This would be re-dated should you approve our proposed change.

Description of the changes:

It is proposed to modify the text in section 8.1 to include the following:-

"Certain tasks associated with the provision of unmetered connections may be carried out by suitably accredited ICPs. These tasks include service cable disconnections and transfers under live jointing arrangements, subject to a successful outcome of an agreed live jointing trial. Live jointing is limited to works on service cables and excludes any jointing of or to mains cables".

This change extends the range of contestable work under option 3 and permits low voltage live jointing on service cables subject to an agreed trial.

The associated table 3 has been reworked to reflect the above change.

A change-tracked copy of our existing statement is attached for reference.

Licence objectives:

The connection charging methodology and statement has the following objectives set out in standard licence condition 4B:

(a) that compliance with the connection charging methodology facilitates the discharge by the

licensee of the obligations imposed on it under the Act and by this licence;

(b) that compliance with the connection charging methodology facilitates competition in the generation and supply of electricity, and does not restrict, distort, or prevent competition in the transmission or distribution of electricity;

(c) that compliance with the connection charging methodology results in charges which reflect, as far as is reasonably practicable (taking account of implementation costs), the costs incurred by the licensee in its distribution business; and

(d) that, so far as is consistent with sub-paragraphs (a), (b) and (c), the connection charging methodology, as far as is reasonably practicable, properly takes account of developments in the licensee's distribution business.

Why the proposal better meets the objectives:

Having reviewed our methodology we believe the proposed provides clarity that we have extended contestability, to the extent that low voltage live jointing for unmetered connections may be carried out by an ICP on service cables subject to an agreed trial.

It should be noted that there are no consequential impacts on other industry documents.

Conclusions:

As this is merely a modification of our statement to confirm the extension of contestability on unmetered connections we would like to introduce this change from the next issue of our charging statement currently planned for 1 April 2008. We would therefore ask Ofgem to consider this proposal and inform us of their decision.