

Ms Rachel Fletcher  
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Our ref

Your ref

Date

13 June 2008

Dear Rachel

**Consultation on proposals from Scottish Power Distribution and Scottish Power Manweb to modify Use of System charges for Independent Distribution Network Operators (IDNOs)**

This response is from both Western Power Distribution (South West) and Western Power Distribution (South Wales).

We agree with Scottish Power that IDNO networks supplying predominately domestic customers do not have the same characteristics as those used to set the commercial tariffs that they are currently using for charging purposes. We do not however agree that these new tariffs should also be used for IDNO networks that supply mainly commercial customers. It is unclear from their proposals whether they intend using these tariffs for private networks (e.g. Ports, Airports, Trading Estates etc) which could be IDNO networks in the future. If not it is difficult to see how this is not discriminatory and if so they are unlikely to be cost reflective.

We also agree that the use of a distance banded approach at LV, the removal of capacity charges and the removal of reactive power charges is appropriate for predominately domestic IDNO networks, but do not agree that these should be applied to networks supplying commercial/industrial customers whether IDNO owned or privately owned by an unlicensed company.

Whilst we believe that these charges are likely to be more cost reflective for IDNO networks that are predominately domestic, we do not believe that this would be the case for networks containing a large proportion of commercial/industrial load and hence Scottish Powers proposals should be vetoed by Ofgem.



Please do not hesitate to contact Nigel Turvey at [nturvey@westernpower.co.uk](mailto:nturvey@westernpower.co.uk) or on 0117 933 2435) should you wish to discuss any aspect of the above.

Yours sincerely

A handwritten signature in black ink, appearing to be 'AS' or similar, with a small dot above the 'S'.

ALISON SLEIGHTHOLM  
Regulatory & Government Affairs Manager