



Legal & Regulatory

Lakeside West

30 The Causeway

Staines

Middlesex TW18 3BY

Telephone 01784 874 000

Facsimile 01784 878 719

[www.centrica.com](http://www.centrica.com)

Mr N Rubin  
Commercial Regulation, Distribution, Networks  
Ofgem  
9 Millbank  
London SW1P 3GE

29 July 2008

Dear Nick

**Consultation and impact assessment on EDF's modification proposal relating to their use of system charging methodology in the South East Power Network region – UoS Mod 21 (Ref 95/08)**

This is our response to the above consultation. It is not confidential and we are happy for this to be posted on the Ofgem website.

On 22 July 2008, Ofgem (Ref 104/08) determined that a common methodology for use of system charges should be mandated on all distribution network operators for implementation from April 2010. We very much support this decision. In their decision document, Ofgem stated that "Given our decision to implement a common charging methodology we urge DNOs to focus now on common charging arrangements going forward."

In the interest of stability, we seek to avoid any unpredictability and unnecessary change for suppliers and customers. In line with Ofgem's recommendation, we should now enter a period where no interim modification methodologies are implemented before the new common methodology comes into effect.

We believe that EDF should withdraw this interim modification and instead focus their efforts on developing the common methodology. On that basis, we will not be providing any specific comments on this modification proposal. The lack of a specific response on EDF's proposals should not be seen as an acceptance of their proposals, this is not the case.

Should you wish to discuss the above further, please do not hesitate to contact me on 07789 570 445.

Yours sincerely

A handwritten signature in black ink, appearing to read "C. Hughes".

Ceri Hughes  
Senior Regulatory Manager