



MODIFICATION REPORT

SP DISTRIBUTION

**Amendment Proposal COM-08-001a
Document Housekeeping
Date of Issue: 11th September 2008**

For approval by the Authority

1. SCOPE

The Connection Charging Methodology Statement has been updated to reflect the revised numbering of the licence conditions.

2. ISSUE RECORD

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Issue Date	Issue No	Author	Amendment Details
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3. ISSUE AUTHORITY

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5. PROPOSED MODIFICATION

5.1 Proposed Changes to the Connection Charging Methodology

5.1.1 Introduction

SP Distribution is obliged under Standard Condition 13 of our Distribution Licence to

- review the Connection Charging Methodology at least once in every year;
- make such modifications to the Connection Charging Methodology as may be necessary for the purpose of better achieving the relevant objectives.

SP Distribution has reviewed its Connection Charging Methodology. The review was undertaken by taking account of the objectives set out in Standard Condition 13 Paragraph 13.3. One of the outcomes of this review was to update the methodology statement with housekeeping changes.

5.1.2 Background

The Standard Licence Conditions have been revised requiring the current published document to be amended to reflect these changes.

5.2 Justification for Proposed Modification

The proposed modification change will allow the methodology to better meet the relevant objectives as set out in Standard Condition 13 Paragraph 13.3(a), (b), (c) and (d), which are:

- 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.

The modification will better achieve these objectives in the following manner:

The updated document will provide accurate reference to the relevant Licence Conditions.

5.3 Implementation Date

This modification is proposed for implementation on 9th October 2008.

5.4 Proposed Changes to the Connection Charging Methodology

A change marked version of the currently approved statement is attached showing the amendments in red type.

5.5 Impact on Other Industry Documents

No amendment is proposed to Industry Documents as this modification represents a minor change, it is not anticipated that this will have any impact and require any changes to contract documents.

5.6 Consultations

This proposed modification is to clarify the provisions in SP Distribution's Connection Charging Methodology to ensure consistency with the Licence. This change does not necessitate an industry consultation.