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30 September 2008

Ms Karron Baker
Commercial Regulation, Distribution, Networks
Ofgem
9 Millbank
London SW1P 3GE

By E-mail: distributionpolicy@ofgem.gov.uk

Dear Karron

Consultation on proposals from Electricity North West Limited to modify use of system charges for independent distribution network operators (IDNOs), HV/LV generators and the DRM (ENW/2009/01)

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 and in the Ofgem library.

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. 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." We very much support this decision and the proposed approach for interim charging methodologies. In the interest of stability, we seek to avoid any unpredictability and unnecessary change for suppliers and customers.

We believe that ENW 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 ENW's proposals should not be interpreted 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 "Ceri Hughes".

Ceri Hughes
Senior Regulatory Manager