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Dear Rachel,

15th December 2008

Consultation on IDNO and DNO out of area use of system charges: reduction of the 3 month notice period for amending charges under SCL 14 (20)

Please find attached the response from British Gas to the above consultation published on 3rd November.

British Gas is keen to minimise as much as possible any volatility in use of system charges. By reducing volatility in charges, risk and uncertainty is reduced and suppliers are better able to provide stable and certain prices to its end customers.

In order to enable us to accurately forecast costs we require a minimum of 3 months notice of any change in distribution use of systems charges. Any reduction in the timescale would further reduce our ability to accurately set our prices for our customers.

We support the principal that IDNOs should only have a reduced notice period where the IDNO charge replicates that of the host DNO. Where the IDNO charges replicate that of the host DNO we believe the notice period can be reduced to 12 weeks.

We agree that granting consents similar to those previously issued but on an enduring basis would be an appropriate solution.

We agree that it is not necessary to undertake an impact assessment for these potential changes.

Yours sincerely

Kevin Woollard
Regulatory Manager