

Rachel Fletcher
Director Distribution
Ofgem
9 Millbank
London
SW1P 3GE

Direct line 01925 534504
Direct fax 01925 534571
paul.bircham@enwltd.co.uk

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Dear Rachel

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

Thank you for your above consultation dated 3 November 2008.

We are aware of the issue raised in the consultation and the apparent difficulty IDNOs and DNOs operating out of area face in complying with both SLC 14(20) and under BA2. As a matter of principle we believe that licensees should be able to comply with the licences without the need for temporary licence consents. Furthermore, compliance with the licence obligations does not appear difficult in this case. As DUoS charges now only change twice a year, in April and October, an IDNO need only to provide Ofgem with a notice saying that they intend to match the relevant host DNO charge (or apply any other charge as specified in the notice) three months prior to these dates. Where the IDNO intends to price match the relevant DNO charges, such a notice could be issued in advance of the similarly timed DNO notice. A change to the licence, or an enduring consent that reduces the notice period, where the IDNO (or DNO operating out of area) charge merely replicates that of the host DNO, does not appear appropriate in this case.

Yours sincerely,

Paul Bircham
Regulation Director
Electricity North West Limited