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Rachel Fletcher
Director, Distribution
Ofgem

Via email

11th September 2009

Dear Ms Fletcher,

Comments of the South Downs Joint Committee on the Electricity Distribution Price Control Review Initial Proposals – Incentives and Obligations Ref 93/09

Thank you for allowing us the opportunity to respond to the DPCR5 Policy Paper consultation. The South Downs Joint Committee is a management organisation with the aims of protecting, conserving and enhancing the natural beauty of the South Downs, consisting of the East Hampshire Area of Outstanding Natural Beauty (AONB) and the Sussex Downs AONB. Final Ministerial confirmation of the designation of the South Downs National Park is expected in the autumn of this year.

Our comments are focussed on Chapter 9 of the document due to the relevance to AONBs and National Parks. We wish to state that we warmly welcome the decision to include an undergrounding allowance within the DPCR proposals.

(Ch 9) Question 1: Do you agree with our proposed amendments to how the undergrounding allowance is formulated?

The formulation of the allowance appears complicated, and although it is a pity that it would result in less money being available in the EDF SPN region, it nevertheless appears to be a fairer overall allocation. However, the boundaries of the South Downs National Park have now been confirmed, subject to 6 minor amendments (which will probably be confirmed this autumn). The National Park covers a larger area than the Sussex Downs and East Hampshire AONBs that it will replace. Has this been taken into account in the calculations?

Cont./...

(Ch 9) Question 2: Do you agree with our proposed approach to undergrounding projects not completed by the end of DPCR4?

Whilst it will not result in all projects approved for the DPCR4 period being completed, which is a pity, we are pleased to note that the March 2010 deadline does now allow for the removal of redundant overhead infrastructure after this date, providing the underground infrastructure has been installed and is in use. This is important as it may not be possible to remove all overhead equipment before this date due to environmental reasons or because of landowner requests.

Other Comments

Para 9.4 We welcome the decision to remove the voltage caps.

Para 9.7 Although, ideally, we would prefer there to be a requirement for a Project Officer we accept that it may not be appropriate for Ofgem to make this a formal requirement. With this in mind, we welcome the acknowledgement within this paragraph of the importance a Project Officer can play.

Para 9.8 We agree with this approach.

Para 9.9 Does this require re-wording? We had understood that the intention was to prevent DNOs from using the allowance on undergrounding a proposed new electricity supply/connection. However, the reference to "newly built" lines suggest that this would also apply to existing lines. How long does a line have to remain in place before it is no longer considered "new"?

Once again, thank you for allowing us the opportunity to respond and for the decision to include an undergrounding allowance within DPCR5.

Yours Sincerely,

**Nat Belderson
Planning Officer
South Downs Joint Committee**