

Your ref 71/10

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Dear Mr Evans

Long Term Development Statements for Electricity Distribution Networks – Consultation on the Form of Statement

I am writing on behalf of Northern Electric Distribution Limited (NEDL) and Yorkshire Electricity Distribution plc (YEDL), the licensed electricity distributors of CE Electric UK Funding Company Limited in response to your letter dated 8 June 2010.

We agree that it is useful to ask potential and actual users of the Long Term Development Statement (LTDS) whether the current form of the statement (FoS) still meets their needs. We therefore support the consultation process and would generally be supportive of the adoption of improvements to the FoS if these result in tangible benefits for all users and do not result in a disproportionate increase in the resource or costs required to produce the statements. It is important to ensure that DNOs are given the opportunity to consider the implications of implementing any proposed changes so that the benefits and associated costs can be properly assessed.

We welcome Ofgem's decision arising from the DPCR consultation process that the scope of the LTDS should be limited to the EHV network and that inclusion of detailed information on the HV network would be inappropriate.

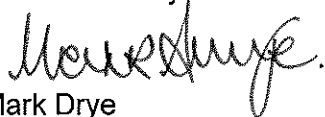
The work to produce the LTDS in time for publication by 1 November each year usually commences in mid August, which does not leave much time for Ofgem to respond to and consult on the proposals received from users of the LTDS. We note your intention to issue a Direction in late summer 2010 providing details of any new requirements and request that you remain mindful that, depending on the extent of the changes, there may be a need to defer the November 1st 2010 publication date or permit a phased implementation of any changes.

We would also be supportive of any consultation workshop that brought the different stakeholders together to develop a better understanding of the information that users would value and hence inform need for any changes to the LTDS.

Further general comments in response to the specific points raised in your consultation letter are presented as an appendix.

Please contact me if there are any issues arising from this letter that would benefit from further clarification.

Yours sincerely



Mark Drye
Director of Asset Management

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Appendix

1. Should the FoS require the LTDS network data be made available in a common electronic format?

It is important that the detailed information is provided in a format that is user friendly so that it can be easily manipulated by the user to suit their particular purposes e.g. reproducing a network model. At the same time, this data should be provided in a format that is efficient for the DNO to produce from its existing information systems. We provide the data in Microsoft Excel spreadsheet format and believe that this achieves both of the above aims in a universally accepted and widely used format. The detail required within each of the tables is already suggested in the Ofgem annexe on the form of long term development statement which, if followed, provides consistency across DNOs. We suggest that Ofgem could take this one step further and provide standard Excel templates to the DNOs to ensure that they all provide the data in a common format. We would be happy to work with Ofgem to produce standard data templates.

2. Should the FoS impose how DNOs should publish their LTDS? (The consultation indicates that Ofgem are minded to require each DNO to make their LTDS available on their website, downloadable free of charge.)

We are supportive of the requirement to publish both the summary the detailed information versions of the LTDS via company websites and agree that this information should be available free of charge as this would improve the accessibility of the information to users. On average we provide 17 NEDL and 19 YEDL detailed information versions of the LTDS each year and have not provided more than 25 detailed information versions of the LTDS for either NEDL or YEDL in any one year; it seems likely that the numbers of LTDSs downloaded would increase if it was available free of charge.

3. Should there be a registration system so that there is a record of all parties that download an LTDS;

We are aware that there have been some concerns expressed by the national security services about the availability of the information contained in the LC25 statement although we are not convinced that requesting DNOs to maintain a record of all parties downloading a LTDS would effectively address any security concerns. However, we do believe that it would be reasonable to for DNOs to have the option of maintaining some form of registration system for users requesting a copy of the LTDS. CE Electric UK currently charge a fee for provision of the detailed information versions of the LTDS, as allowed by SLC 25, and therefore already holds a database of customer names and addresses. We would like the option to continue to collect such information which could be used to provide information that would help improve customer service.

4. Should the FoS require the DNOs to provide a schedule of generators connected to their network?

We are supportive of providing a schedule of generators connected to the EHV network. The National Grid Seven Year Statement Appendix F Table F.3 already includes the name, installed capacity (or Registered Capacity), fuel type and the associated Grid Supply Point Substation of embedded small and medium powers stations. We believe that, subject to any commercially sensitive and / or confidential issues being addressed, it would be reasonable to provide this information, together with the name of the EHV substation where the generation is connected to the network in the LC25 statement. For generation connected to the HV and LV networks we believe that it is reasonable to continue to provide an aggregate generation capacity figure for each EHV/HV substation.

If further details contained in individual generator connection agreements e.g. maximum export, fault-level contribution or relating to the operating regime e.g. typically export profile, were to be provided, then detailed consideration would need to be given as to how the data would actually be used and how it related to the base network data e.g. load flows and fault levels provided in the LTDS. Because of the technical implications associated with providing meaningful information in this area we believe consideration would need to be given to the additional costs of providing such detailed information and the benefits that users would gain.

There may also be a discriminatory issue that may need to be considered. There is currently no requirement to provide a schedule of (larger) demand customers who have a direct connection to the EHV network. Providing a schedule of some types of customers, but not others, could be seen to be discriminatory.

5. *Should the LTDS be updated more frequently than the current annual basis. i.e. after the connection of a new load or generator that materially affects further connection opportunities*

We would be generally supportive of providing more frequent update of the LTDS if the benefit of such an update outweighed the cost of producing the update, however it is our view that any interim updates should be limited to a narrative explaining the network change, including any high-level data, that might influence any future connections, similar to the current authorised system development proposals narratives found in section 16 of the NEDL and YEDL LTDSs. Such information could be provided as an additional download via a DNOs website, possibly grouped, for example, by grid supply point to assist the user in easy identification of schemes that may influence their proposed connection. If a user is particularly interested in part of a network that has changed, there is provision in the LTDS for the DNO to provide additional information or clarification of the change. Updating of all the data tables within the LTDS would continue to be updated annually.