

Rachel Fletcher  
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Ofgem  
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26 August 2010

Dear Rachel,

**Re: Consultation on revised submission and implementation dates for the EHV Distribution Charging Methodology (EDCM)**

Thank you for the opportunity to provide comment on Ofgem's proposals to revise the timetable to implement the EDCM.

IPM Energy Retail are in agreement that recent revisions in EDCM methodology has given a short opportunity to react to cost disturbance for our customers and would therefore like the implementation to be put back even further to 1 April 2012 .

As experienced with the implementation of the CDCM charges in April 2010 the number of illustrative tariffs produced to the lead up to the final tariffs created a great deal of uncertainty whilst contracting customers during that period.

The main contractual negotiation round for half-hourly customers is usually between July and September and the proposed 1 October 2010 implementation would mean that charges would only be finalised in mid-August posing uncertainty of distribution charges for almost half of the negotiation period.

For this reason implementation of new charges should be delayed until the start of the charging year in April 2012 (but with DNOs committed to finalise the EDCM itself by 1 February 2011). This would allow more time for all DNOs to ensure their systems are ready for the changes, and so avoid derogations, and ensure that firm indicative charges could be published with CDCM charges in December 2011.

This approach would also ensure that suppliers and customers could complete the annual contract round in October 2011 without the hindrance of uncertain network costs; allow suppliers to ensure billing system updates are introduced; and give sufficient advance notice to customers of likely charge changes to be introduced in April 2012 to enable them to account for any changes, which in some areas are likely to be significant.

Yours sincerely,

Damian Coulton  
General Manager

