

Nicholas Rubin  
Distribution Policy  
Ofgem  
9 Millbank  
London  
SW1P 3GE

Your ref  
Our ref  
Name Rachel Fowler  
Phone 07825676079  
Fax 0121 336 5250  
E-Mail rachel.fowler@npower.com

18<sup>th</sup> August 2010

Dear Nicholas,

### **Consultation on pre-2005 connected Distributed Generation – Chapter 3**

RWEnpower welcomes the opportunity to comment on these proposals. This response is provided on behalf of the RWE group of companies, including RWE Npower plc, RWE Supply and Trading GmbH and RWE Npower Renewables Limited, a fully owned subsidiary of RWE Innogy GmbH.

We have a number of issues with regards to whether pre-2005 connected Distributed Generation should be paying Use of System Charges. However, in this response we provide comments on Chapter 3 of the consultation document only. Our responses to the other questions asked in the consultation document will follow in due course.

#### **Have we identified the relevant considerations that influence the decision whether to adopt a bundled or unbundled approach?**

We feel that Ofgem have identified the relevant considerations that influence the decision whether to adopt a bundled or unbundled approach.

#### **Do you agree with our minded to position to adopt an unbundled approach for the EDCM?**

If compensation payments are due, we agree with Ofgem's minded to position to adopt an unbundled approach for the EDCM. We feel that separating any due compensation from Use of System charges ensures that any price signals are unaffected by compensation payments. This will mean that there is clarity and transparency over how the costs can be broken down into the two elements. We also feel that it will be more efficient using an unbundled method.

Please feel free to contact me if you wish to discuss this response in more detail.

Yours sincerely,

By email so unsigned

Rachel Fowler,  
Forecasting Senior Analyst- Network Charges

RWE npower

Trigonos  
Windmill Hill  
Business Park  
Whitehill Way  
Swindon  
Wiltshire SN5  
6PB

T +44 (0) 1793 8  
9 39 83

F +44 (0) 1793 8  
9 29 81

I www.rwenpowe  
r.com

Registered  
office:  
RWE Npower plc  
Windmill Hill  
Business Park  
Whitehill Way  
Swindon  
Wiltshire SN5  
6PB