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Our ref:

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Date:

26.08.10

Distributionpolicy@ofgem.gov.uk

Dear Madam,

Subject:

Consultation on revised submission and implementation dates for the EHV Distribution Charging Methodology

Vattenfall Wind Power welcomes the opportunity to comment upon Ofgem's proposed revised timeline as detailed in the letter of 20th August 2010 for introduction of common distribution charging methodologies at EHV voltage levels.

In response to the EDCM timelines letter issued on the 20th August 2010, we strongly support the proposal to extend the submission deadline to 1st February 2011 and revise the implementation date to 1st October 2011.

Given the short timescale we have been working with to try and understand the complexity of the charging methodologies and the significant impact that these charges have on our commercial position, we feel that an extension to the deadline is required. Vattenfall has had insufficient time to review and fully understand these methodologies and insufficient time to provide our views and raise concerns over the proposed changes.

Our local DNO has also highlighted that several methodologies are still being investigated and we have not yet been able to meet with them to review these methodologies and understand the principles applied. Furthermore our DNO supplied us, on the 24th of August 2010, with a new charging schedule under changes to the originally proposed methodology which is now showing an increase on average of 600% per annum. We have therefore not had the chance to review, discuss and comment ahead of the 1st September 2010 submission date.

Given all of the above points, we request an extension to the deadline for consultation and implementation of these changes. There needs to be sufficient time granted in order that the generators can fully understand the change in charging methodology. In addition, we would ask that further work on the methodology is carried out to minimise the impact of these changes on our business given the significant financial investments that were made on the expectation of a stable charging environment.

Yours faithfully,

Lionel Avignon

UK Head of Generation