

24 August 2010

Ms Rachel Fletcher
Distribution Policy
Ofgem
9 Millbank
LONDON
SW1P 3GE

Dear Ms Fletcher

Implementing EHV Distribution Charging Methodology

Welsh Power supports Ofgem's proposal to increase the timetable for implementing the changes to EHV charges, but we believe April 2012 would be a better date to align with the electricity year.

Ofgem should commit to use the extra time to work with the DNOs and EHV customers to make sure that by implementation there is only one methodology and that the customers, suppliers and final users are all aware of the changes before implementation.

We are dismayed by the 3 day consultation period, right in the middle of the summer holidays, that Ofgem is allowing for this decision. We, amongst others, have urged Ofgem to postpone implementing these charging changes previously and we believe this sudden change of heart is evidence that Ofgem simply does not understand the regulatory risks that it can create in the market.

Welsh Power believes Ofgem needs to internally review what changes to their internal processes need to be made to stop such atrocious regulation ever reoccurring.

Yours sincerely



Alex Lambie
Chief Executive