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Chris Chow
The Office of Gas and Electricity Markets
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15 December 2010

Dear Chris,

Notice of proposed modification of the standard conditions of electricity distribution licences under section 11A of the Electricity Act 1989

I am writing on behalf of CE Electric UK Funding Company (CE) and its wholly-owned electricity distribution licensees Northern Electric Distribution Limited (NEDL) and Yorkshire Electricity Distribution plc (YEDL). This letter provides our response to Ofgem's S11A notice of 17 November 2010 relating to standard conditions 13A, 22A, 50, 50A and 13B of the electricity distribution licence in respect of revised delivery dates for the EHV distribution charging methodology (EDCM) and the new distribution charging boundary between higher and lower voltages.

We would suggest that the words "in accordance with the direction issued by the Authority pursuant to Part J of this condition on 30 September 2010", proposed for insertion into paragraphs 50A.17 and 50A.18 of standard condition 50A, will be unnecessary. The direction concerned itself solely with resetting deadlines, which will become embodied in the licence anyway when these modifications come into effect. Notwithstanding this, we believe that these words are in any event not strictly accurate: the submission of the items referenced in paragraphs 50A.17 and 50A.18 (and it is in both cases the verb "submitted" to which the proposed "in accordance with" clause is clearly intended to relate) will not be made in accordance with the direction, but in accordance with the licence obligation (ie the obligation to submit is carried in the licence rather than in the direction): it is the submission timescale that will be in accordance with the direction. Consequently, if the words cited above are not removed altogether, they should at least be expanded to read "in accordance with the revised timescales set out in the direction issued by the Authority pursuant to Part J of this condition on 30 September 2010".

For the avoidance of doubt, this representation does not constitute a formal objection to the licence modification proposals.

Yours sincerely

Tony Sharp

T H Sharp

Regulation Manager

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