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Registered in England and Wales No: 3870728

Company: UK Power Networks (Operations) Limited

Lesley Ferrando Ofgem 9 Millbank London SW1P 3GE

31 March 2011

Dear Lesley,

Response to Ofgem's consultation on the way forward in dealing with supplier GVC/data cleansing - 21st March 2011

Further to Rachel Fletcher's letter of 21 March 2011, thank you for the opportunity to comment on the above subject. This response should be regarded as a consolidated response on behalf of UK Power Networks three distribution licence holding companies — Eastern Power Networks plc, London Power Networks plc and South Eastern Power Networks plc.

We have no objections to your proposed timescales for dealing with the GVC issue and accept that any necessary adjustments will be made in conjunction with the calculation of the Losses Rolling Retention Mechanism.

We note your intention to "time adjust" for the delay in recognising the GVC issue in our allowed revenues. We are also very pleased to see your encouragement for suppliers to provide relevent information to the DNO's as this will be essential in resolving the issue in a satisfactory and timely manner.

We hope that our comments above will be of help, if I can be of any further assistance in respect of this response, please do not hesitate contact me on 01293 657853.

Yours sincerely

Paul Measday Regulation Manager UK Power Networks