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Rachel Fletcher
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Our Ref

Your Ref

Direct Line

Date

14th April 2011

Dear Rachel,

Consultation on the way forward in dealing with the interactions between the electricity distribution losses incentive scheme and Gross Volume Correction (GVC) activity

I am writing to confirm that Western Power Distribution will not be submitting applications for adjustment to losses reporting in respect of increased GVC activity ahead of the LDRM process.

Our preliminary investigations suggest that there has been abnormal GVC activity in all of our licensed areas. In particular there has been significantly increased activity in our East Midlands and West Midlands areas, where GVC activity appears to have started before the 2009/10 regulatory year highlighted in your letter.

We continue to investigate this across all of our areas and will write to you again shortly.

Yours sincerely



ALISON SLEIGHTHOLM
Regulatory & Government Affairs Manager