

To:

1. The Company Secretary
Eastern Power Networks Plc (Company No. 2366906)
London Power Networks Plc (Company No. 3929195)
South Eastern Power Networks Plc (Company No. 3043097)
UK Power Networks (IDNO) Limited (Company No. 6489447)
Newington House
237 Southwark Bridge Road
London SE1 6NP
2. The Company Secretary
Electricity North West Limited (Company No. 2366949)
304 Bridgewater Place
Birchwood Park
Warrington WA3 6XG
3. The Company Secretary
Northern Powergrid (Northeast) Limited (Company No. 2906593)
Northern Powergrid (Yorkshire) Plc (Company No. 4112320)
Lloyds Court
78 Grey Street
Newcastle-Upon-Tyne NE1 6AF
4. The Company Secretary
Scottish Hydro Electric Power Distribution Plc (Company No. SC213460)
Inveralmond House
200 Dunkeld Road
Perth PH1 3AQ
5. The Company Secretary
Southern Electric Power Distribution Plc (Company No. 4094290)
55 Vastern Road
Reading
Berkshire RG1 8BU
6. The Company Secretary
SP Distribution Limited (Company No. SC189125)
1 Atlantic Quay
Robertson Street
Glasgow G2 8SP
7. The Company Secretary
SP Manweb Plc (Company No. 2366937)
3 Prenton Way
Prenton CH43 3ET
8. The Company Secretary
Western Power Distribution (South Wales) Plc (Company No. 2366985)
Western Power Distribution (South West) Plc (Company No. 2366894)
Western Power Distribution (East Midlands) Plc (Company No. 2366923)

Western Power Distribution (West Midlands) Plc (Company No. 3600574)
Avonbank
Feeder Road
Bristol
BS2 0TB

9. ECG (Distribution) Limited (Company No: 5798763)
Sterling House
Langston Road
Loughton
Essex IG10 3FA
10. The Company Secretary
Energetics Electricity Limited (Company No: SC234694)
International House Stanley Boulevard
Hamilton International Technology Park
Glasgow
South Lanarkshire G72 0BN
11. The Company Secretary
ESP Electricity Limited (Company No: 4718806)
Hazeldean
Station Road
Leatherhead
Surrey KT22 7AA
12. The Company Secretary
Independent Power Networks Limited (Company No: 4935008)
Driscoll 2
Ellen Street
Cardiff CF10 4BP
13. The Company Secretary
The Electricity Network Company Limited (Company No: 5581824)
Energy House
Woolpit Business Park
Woolpit
Bury St Edmunds
Suffolk IP30 9UP

**DIRECTION ISSUED PURSUANT TO CONDITION 49.6 OF THE STANDARD
CONDITIONS OF THE ELECTRICITY DISTRIBUTION LICENCE, MODIFYING ALL
ELECTRICITY DISTRIBUTION LICENCES GRANTED OR TREATED AS GRANTED
UNDER SECTION 6(1)(C) OF THE ELECTRICITY ACT 1989**

WHEREAS:

1. The parties to whom this document is addressed (the “Licensees”) all hold electricity distribution licences (“Licences”) granted or treated as granted by the Gas and Electricity Markets Authority (the “Authority”) under section 6(1)(c) of the Electricity Act 1989 (the “Act”).
2. In accordance with Condition 49.12 of the Standard Conditions of the Electricity Distribution Licence (“the SLCs”) of the said Licences, the Authority gave notice on 23 March 2012 in writing and on its website that it proposed to make a number of modifications to the Regulatory Instructions and Guidance (“the RIGs”) published by the Authority on 3 June 2011 and issued to Licensees by the Authority under the SLCs.
3. The RIGs are as listed in Condition 49.2 of the SLCs and comprise:
 - the Connection RIGs (standard condition 15A);
 - the Network Outputs RIGs (standard condition 44A);
 - the Distribution Losses Reporting RIGs (standard condition 44B);
 - the LCN Fund RIGs (standard condition 44C);
 - the Quality of Service RIGs (standard condition 45);
 - the Transmission Connection Point Charges RIGs (standard condition 45A);
 - the DG RIGs (standard condition 46);
 - the Business Carbon Footprint RIGs (standard condition 46A);
 - the Revenue Reporting RIGs (standard condition 47); and
 - the Cost Reporting RIGs (standard condition 48)
4. The modifications to the RIGs are being made in accordance with the provisions of Condition 49 of the SLCs.
5. In accordance with the requirements of Condition 49.12 of the SLCs, the notice of 23 March 2012 referred to at paragraph 2 above set out the reasons for the modifications and specified that any representations or objections to the proposed modifications must be made within 28 days of the notice during the Statutory Consultation (i.e. on or before 20 April 2012).
6. The notice of 23 March 2012 further stated a proposed effective date for the revised RIGs as being 25 April 2012. By this Direction, the effective date for the revised RIGs is hereby confirmed as being 27 April 2012.
7. The modifications were set out in the notice of 23 March 2012.

8. The notice of 23 March 2012 and associated documents can be found at <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=664&refer=Networks/ElecDist/PriceCtrls/DPCR5>.
9. As explained at paragraph 5 above, detailed reasons why the Authority proposed to make the modifications were set out in the notice of 23 March 2012. The Condition 49.8 reasons for the modifications are that the modifications will:
 - (a) improve the presentation or style of the requirements of the RIGs;
 - (b) remove or reduce inconsistencies between Licensees in the application or interpretation of such requirements;
 - (c) further clarify the meaning of words and phrases used within such requirements to define the information to be provided;
 - (d) improve the form or manner in which such information is to be provided under such requirements;
 - (e) enlarge existing categories of Specified Information;
 - (f) secure the accurate provision of more consistent, useful and comparable Price Control Cost Information; or
10. The Authority has considered all representations made by the Licensees on the proposed modifications (Annex 1 to this Direction contains a log of the changes made following the Statutory Consultation and the reasons for these changes).
11. The Authority has not received any notice of objection to the modifications from any of the Licensees either by 20 April 2012 or subsequently.

NOW THEREFORE

The Authority hereby issues a direction to the Licensees under Standard Condition 49.6 of the SLCs confirming the modification to the RIGs in accordance with the provisions of the Authority's notice of 23 March 2012 and the associated documents referred to at paragraph 8 above other than as provided at paragraph 6 of this Direction, which provides that the effective date for the revised RIGs is 27 April 2012.

This direction constitutes notice of reasons for the Authority's decision pursuant to section 49A of the Act.



Chris Watts
Associate Partner, Costs and Outputs

For and on behalf of the Authority
27 April 2012

ANNEX 1: Changes to the RIGs following the Statutory Consultation

Changes made to workbooks:

Costs and Volumes Reporting Pack	
C1	Formula correction, clarification of table heading
C6	Clarification of table heading
C11	Additional summary table added
C22	Formula correction
C25	Formula correction, clarification of table heading
C33	Formula correction
C34	Formula correction
C37	Clarification of table heading
CV1	Clarification of table heading
CV2	Clarification of table heading
CV3	Refining table requirement
CV7	Formula correction
CV12	Formula correction, clarification of table heading
CV13	Formula correction, clarification of table heading, consistency in units measured
CV14	Formatting correction
V5	Formatting correction
Memo and Disaggregated Pack	
CM17	Formula correction
CM21	Formatting correction
CM22	Rows added for additional categories
Financial Issues Reporting Pack	
F3	Formula correction
F7	Formula correction, clarification of table heading
F14	Formula correction
F15	Formula correction
Connections Reporting Pack	
CN1	Formula correction
CN2	Formula correction

Specific changes made to guidance documents beyond anything dictated by a change in the workbooks as listed above:

RIG document	Change made
Network Asset Data and Performance Reporting - RIGv3	Clarification of treatment of load transfers

Amendments made to Glossary for clarification and/ or consistency:

Terms removed from Glossary	Terms added to Glossary	Terms where definition has changed
Insurance – Claims Management	Claims Handling & Management	Contractors - Direct including embedded Indirect services
No. of Claims Settled	Claims Settled	Contractors - Direct Materials
No. of Diversions Completed	Diversions Completed	Contractors - Direct Only
Unique sites where inspections and maintenance undertaken	Individual Assets Inspected	20kV Poles
20 kV Overhead Line Conductor – Open Wire Construction	20kV OHL (Conventional Conductor)	66kV OHL(Pole Line) conductor
Accounts Payable		33kV Switchgear – Other'
		132kV CB (Gas Insulated Busbars) (ID)
		132kV CB (Gas Insulated Busbars) (OD)
		Guaranteed Standards Definitions