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Dear Rebecca,

Proposed Licence changes to facilitate open governance of the Common Connections Charging Methodology

We are supportive in principle of the changes that you have proposed in the above consultation.

We support your intention to change the licence to ensure that the CCCM remains common. You will be aware of the part we played in developing the initial common version and the continued work in developing it. We welcome your proposals to avoid duplication of the modification process as this removes time and effort from the process for all parties. The alignment of objectives by which any modifications are assessed is vital to avoid any inadvertent outcomes of approval or rejection.

In terms of the proposed changes to the licence we would make the following comments. The use of the defined term "Distribution Services Provider" is not particularly helpful in these circumstances. The definition does not particularly make clear as to which licensees it applies and it is not clear where this information can be identified. For DNOs who are acting out of area as an IDNO, our interpretation of the proposed drafting is that the CCCM would apply to them. We are unsure whether Ofgem wish to create this explicit difference between DNOs acting as an IDNO out of area and other IDNOs. An alternative approach to the drafting would be to replace "*...if the licensee is a Distribution Services Provider...*" with "*...if the licensee is acting within its Distribution Services Area...*".

We support your proposal to restrict the licence amendments for open governance to the CCCM. This creates proportionate levels of governance for changes to the Methodology and to any other changes to the Statement.

I can confirm that we will be happy to submit a DCUSA Modification Proposal to include the relevant scope into DCUSA in due course, in line with your final decision

If you require any further information, please do not hesitate to contact me.

Yours sincerely,

Brian Hoy
Head of Market Regulation