

Neil Copeland
Ofgem
Via e-mail

Your ref

Our Ref

Date

29 September 2011

Contact / Extension

Euan Norris

Dear Neil

Consultation on a proposed request for P2/6 derogation under Standard Licence Condition 24 of the Electricity Distribution Licence

I am writing on behalf of SP Energy Networks in response to the letter issued by Gareth Evans on 19 August 2011.

We note that the only customers that would be materially affected by the requested derogation (apart from the effects of a possible increase in short interruptions for other customers) would be those that voluntarily agree to accept a managed connection.

We understand that such voluntary arrangements are a key part of the ENW LCNF project. This is a project that we will follow with interest, and we will actively participate in any review of P2/6 that may take place if the project is successful.

As the letter implies, there are some definitional uncertainties in the existing P2/6. We do not think that demand management arrangements with individual customers are an issue in this context, but a programme of coordinated voluntary managed connection arrangements does appear to require a derogation in order to proceed. However, we think that the possible conditions set out as Ofgem's 'Initial View' are reasonable, and that a derogation should be granted to facilitate this worthwhile project.

I hope that this is helpful but please contact me if there are any queries.

Yours sincerely



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