

FAO : Neil Copeland

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Our ref

Your ref

Date

9 September 2011

Dear Gareth

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

I am responding on behalf of Western Power Distribution with regard to the consultation on the proposed request for an SLC24 derogation by ENW Limited in relation to the submission of its LCN Capacity to Customers project.

In our view it is unclear if a derogation from P2/6 is required for this project proposal. P2/6 requires the restoration of Group Demand (or % thereof, within given time periods) and it could be interpreted that restoration of the demand/customers, accounting for any DSM customers reductions and agreed un-firm connections, would be compliant with P2/6. We would suggest that it has been industry practice to account for large demand customers with demand management in this way, although we recognise this particular project would be applying this principle across a wider 11kV network and on potentially a multiple customer basis.

However should Ofgem's view be that a derogation is required, we would support the granting of a derogation for the trial period.

We agree that the wording/definitions used in P2/6 are not clear on how DSM/un-firm connections are included within Group Demand and this does not meet the current thinking and development of activity load management approaches to smart networks. We would welcome recommendations to clarify these approaches under P2/6 as a follow up to this LCN project proposal, although this would require wider industry consultation. The outcome of this should not be pre-judged in anyway by the granting of this derogation.

If you would like to discuss this further please contact Tony Berndes on 0117 9332101.

Yours sincerely



Alison Sleightholm  
Regulatory & Government Affairs Manager