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Dear Sara

Rising and Lateral Mains Reopener under DPCR5

RWE npower welcomes the opportunity to comment on these proposals. This response is provided on behalf of the RWE group of companies, including RWE Npower plc, RWE Supply and Trading GmbH and RWE Npower Renewables Limited, a fully owned subsidiary of RWE Innogy GmbH.

As a general comment, we are surprised that suppliers were not notified of this request to Ofgem in SPN's and SPD's August DCP066 statements. This we feel is outside of the spirit of DCP066, which was set up to provide supplier stakeholders with details of likely revenues moving forward. We would be interested in Ofgem's views on this, particularly since their reason to reject DCP106 (Visibility to DCUSA Parties Regarding Applications to the Authority by DNOs to Change Allowed Revenue) was:

'DNOs should make reasonable endeavours to provide accurate cost information and forecasts as set out in Tables 1 and 2 in Schedule 15 and any extraordinary request should be included under the "significant others" item. Additionally, we suggest there should be a specific item in the DCP066A agenda every quarter which covers such issues to ensure visibility to Suppliers'.

This process was clearly not followed on this occasion.

Question 1: Do you agree with the proposed adjustments to the revenues associated with RLM for SPD and SPM?

We are surprised that these costs are the responsibility of the SPEN and are concerned that this could leave room for other DNOs to open this debate. We are also concerned at the relative size of these additional DUoS costs which are not in the interest of consumers.

Ofgem are best placed to agree the financial value of this re-opener since they have access to the underlying data. In the interests of improving transparency and predictability of DUoS tariffs for suppliers and consumers, we would request that Ofgem delays implementation of the adjustment. Ideally, we would request this to be delayed out by 2 years i.e. 1 April 2015. If, however, the requirement is to implement during DPCR5, the earliest implementation should be not be before 1 April 2014. April 2013 should not be an option.

RWE npower

Please contact me if you need any further clarification. This response is not confidential.

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Kind regards

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(By email so unsigned)

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