



*All Electricity Distribution
Network Operators and
interested parties*

*Promoting choice and
value for all customers*

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Date: 26 April 2013

Consultation on proposed licence modifications to Charge Restriction Conditions (CRC) 13 and 15 of the electricity distribution licence

I attach a notice about proposed modifications to licence conditions CRC 13 (Low Carbon Networks) and CRC 15 (Excluded Services). We are seeking views on our proposals which put in place a mechanism to return to consumers a proportion of royalty revenue equal to the proportion of funding which consumers provided to the project.

We propose to ensure customers benefit from Low Carbon Networks (LCN) Fund projects. As projects are largely funded by customers, they should receive a share of revenue earned from royalties resulting from intellectual property.

This letter constitutes notice under section 11A(2) of the Electricity Act 1989.

If you wish to respond to this consultation, please do so by 27 May 2013. Please email your response to arun.pontin@ofgem.gov.uk or send this by post to Arun Pontin, Policy Analyst, Distribution Policy, Ofgem, 9 Millbank, London, SW1P 3GE.

Unless marked confidential, we will publish all responses on our website at www.ofgem.gov.uk. Respondents may request that their response is kept confidential. We will respect these requests, subject to any obligations to disclose information, for example, under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.

If you have any queries regarding the content of this letter, please contact Arun Pontin.

Yours faithfully,

A handwritten signature in blue ink that reads "Andy Burgess".

Andrew Burgess
Associate Partner, Transmission and Distribution Policy
For and on behalf of the Gas and Electricity Markets Authority