



Mr James Veaney
Head of Distribution Policy
Ofgem
9 Millbank
London
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Dear Mr Veaney

30th September 2013

**Consultation Response on Distribution Connection Use of System Agreement (DCUSA)
change proposal (DCP) 124: Third Party Network - National Terms of Connection**

As an industrial customer, CEMEX UK has several hundred connection points around the UK, many of which are on license exempt networks and we have already taken up the opportunities presented by the Electricity and Gas (Internal Markets) Regulations 2011.

Whilst not an invited party to the DCP124 working group, CEMEX UK welcomes the opportunity to contribute a position through this subsequent OFGEM consultation.

CEMEX UK accepts that it is not technically qualified to comment on all the specific issues raised throughout the working group consultation. However, from a principle point of view we broadly accept the proposal on the principles of:

- Standard terms for connecting to DEH networks that are clearly understood by all parties;
- A reduction in the number of bilateral agreements that we are required to enter into; and
- Ensuring the same terms for connecting survive change of ownership.

However, an issue that we face is that whilst most DEH's appear to simply follow their DNO's connection agreement as a template, others try to impose unacceptable terms. This includes (amongst others) broad, uncapped indemnities being placed on customers. Such provisions are inappropriate and inequitable because as customers, we are not granted even the most basic protection to cover our risks.

Requirements in bi-lateral 3rd Party Network agreements for a supplier agreement can also be a barrier where suppliers will not accept terms being offered. As it is a requirement on the customer connection agreement that this is in place, the result is an extended or incomplete process.

Please feel free to contact me directly should you wish to discuss further

Yours sincerely,

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