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Sent via email to: [distribution.losses@ofgem.gov.uk](mailto:distribution.losses@ofgem.gov.uk)

Haven Power Limited  
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26 November 2013

Dear Mr Aldridge,

**Re: Further consultation on restatement of 2009-10 data and closing out the DPCR4 losses incentive mechanism**

Haven Power Ltd (Haven) is an independent non-domestic electricity supplier that has been supplying Small Medium Enterprises since 2007. In 2009, we entered the Industrial & Commercial (I&C) sector and have been steadily growing our customer base in both areas.

Whilst we have neither the resource nor the technical expertise to fully participate in the in-depth data discussions that are currently taking place, we felt it prudent to provide some general comments.

The discussion regarding the DCPR4 losses incentive mechanism has, for DNO's and suppliers alike, become involved and protracted, taking up an increasing amount of resource. The gap between the figures in the November 2012 consultation and this one are large and offer no certainty on the final fiscal position. This leaves smaller suppliers very little option but to hope for the best, yet assume the worst when looking at their risk premiums. We feel that it is imperative a way forward is decided sooner rather than later, as it is the end consumer who suffers from this uncertainty. We feel there may be an argument for drawing a line under this process and leaving the costs where they have currently fallen.

Regardless of whether it is suppliers or DNO's that money is recovered from; we feel that a longer and smoother recovery timeframe is beneficial, as it allows adequate time for any increase or decrease to be priced in to tariffs. It also softens any shocks that suppliers or DNOs will be subject to regarding unexpected cash calls.

Yours sincerely

Sent by email.

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