

Avonbank
Feeder Road
Bristol
BS2 0TB

Telephone 0117 9332382
Email nrichardson@westernpower.co.uk

Maxine Frerk
Senior partner Smarter Grids & Governance:
Distribution
Ofgem
9 Millbank
London
SW1P 3GE

Our ref

Your ref

Date

-

16 February 2015

Dear Maxine

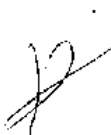
**NOTICE UNDER PART C AND PART D OF SPECIAL CONDITION 4A PRICE CONTROL
UPDATE PROVISIONS FOR WPD – REPROFILING REQUEST**

I am writing on behalf of Western Power Distribution (South Wales) plc, Western Power Distribution (South West) plc, Western Power Distribution (East Midlands) plc and Western Power Distribution (West Midlands) plc in response to the above notice published on 3 February in relation to its Fast Track Licences.

In accordance with paragraph 10 of the above notice, WPD hereby apply to reprofile Opening Base Revenue Allowances as shown in the version of the ED1 Price Control Financial Model uploaded to the FTP by WPD on 16th February 2015. A summary of the reprofiled Opening Base Revenue Allowances is shown in Appendix 1. These reprofiled revenues have the same net present value as the revenues shown in the Schedule 1 version of the ED1 Price Control Financial Model but the percentage change in revenues in 2016/17 and 2017/18 has been smoothed.

I would be grateful for your confirmation of receipt of the Financial Model Uploaded to the FTP today, and that this reprofiling is acceptable.

Yours sincerely



ALISON SLEIGHTHOLM
Regulatory & Government Affairs Manager

Appendix 1

PCFM year ending £m	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	WPD Reprofiled RIIO Total	WPD Reprofiled RIIO NPV Total	Ofgem RIIO Total (per CRC4C notice)	Ofgem RIIO NPV Total (per CRC4C notice)
WMID	385.8	398.1	409.2	413.3	417.4	421.6	425.8	430.1	3,301.2	2,835.8	3,300.2	2,835.8
EMID	386.0	398.9	410.9	415.0	419.2	423.3	427.6	431.9	3,312.8	2,845.5	3,311.5	2,845.5
SWALES	198.7	203.6	208.2	210.3	212.4	214.5	216.7	218.9	1,683.3	1,446.3	1,682.9	1,446.3
SWEST	286.9	291.9	296.5	299.5	302.5	305.5	308.6	311.7	2,403.2	2,065.5	2,402.8	2,065.5