



Regulation & Commercial

Thomas Mackenzie
Ofgem,
9 Millbank,
London,
SW1P 3GE

Date
13th April 2015

Contact
Stephanie Rogan
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Dear Tom,

Statutory consultation on changes to licence conditions CRC 2A and CRC 2M in relation to the DPCR4 growth term

This response is on behalf of SP Distribution plc (SPD) & SP Manweb plc (SPM) (Collectively SPEN).

We believe that the proposed modifications to Special Conditions CRC 2A (Restriction of Allowed Distribution Network Revenue) and CRC 2M (Adjustment of licensee's revenues for the residual distribution losses incentive) ensures that allowed revenue is adjusted to close out the DPCR4 growth term and is also consistent with Ofgem's decision on the restatement of data associated with the losses incentive mechanism.

Yours sincerely,

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Stephanie Rogan
SP Energy Networks

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