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Our ref

Your ref

Date

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22 May 2015

Dear Joanna,

Notice as required under Part C of Standard Condition 46 of the electricity distribution licences held by distribution service providers

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 Notice to Issue RIGs for RIIO-ED1 of 24th April 2015.

WPD has been represented on all of the Ofgem working groups that have developed these RIGs and has contributed significant input throughout the process.

We have undertaken a review of the ED1 RIGs issued on 24th April 2015 and detailed comments are provided in the separate Issues Log. We have limited these comments to those areas of the RIGs where there could be confusion or where further guidance is required.

We emphasise a few specific areas in Appendix 1 to this letter.

Should you wish to discuss any aspects of our response please contact amichalowski@westernpower.co.uk or dbroderick@westernpower.co.uk.

Yours sincerely



ALISON SLEIGHTHOLM
Regulatory & Government Affairs Manager

Appendix 1 – Specific areas of concern

Inconsistency between connections pack and CRC 2K and CRC 5C

In several places in Annex G Connections, OFGEM has stated that Unmetered Disconnections should be included in the Connections Pack reporting. The inclusion of Unmetered Disconnections in the Connections Pack reporting is inconsistent with CRC2K and CRC5C. It is also internally inconsistent with paragraphs 3.26 and 3.27 which cover the application of the Connections Guaranteed Standards.

The connections pack is designed to calculate indicative margins allowed under CRC2K which excludes disconnections. Margins are allowed to be charged on "Connection Activities" which are defined as "all activities which comprise or are associated with the provision, modification, or retention of a connection in accordance with the Connection Charging Statement."

Disconnections income should be reported under DRS9 of CRC5C as a miscellaneous directly remunerated service.

We propose a change to the Connections RIGS to exclude references to Unmetered Disconnections when they are not part of a 'Connections project'. This would then be consistent with the Guaranteed Standards application and consistent with the CRC2K and CRC5C of the licence.

Customer Satisfaction Surveys – proposed changes to "killer questions"

In the light of the first few weeks of surveying in ED1, the survey company (Explain) has recommended some wording changes to the closing section of the survey to make the "killer questions" clearer. WPD supports these changes. These are provided as a separate note from Explain.