

Stephen Perry  
Ofgem  
9 Millbank  
London  
SW1P 3GE

17 August 2015

Dear Stephen

**Notice under section 11A(2) of the Electricity Act 1989 – SLCs 1/14/52 – Competition in Connections Code of Practice**

Thank you for the opportunity to comment on the above notice, dated 16 July 2015. This response should be regarded as a consolidated response on behalf of UK Power Networks' affected distribution licence holding companies: Eastern Power Networks plc, London Power Networks plc and South Eastern Power Networks plc.

We have reviewed the proposed amendments and do not wish to make a formal representation in respect of them. We have however identified that the paragraph cross reference in condition 52.8 should refer to 52.7 not 52.9.

I would also like to note that following a meeting with James Veaney and Keith Hutton on 30 July we have clarified our understanding of how the Code of Practice will initially operate. It is our understanding that until ICP take up has been established the new work elements open for ICPs to undertake will remain categorised as 'non-contestable' for the purposes of regulatory compliance, regulatory reporting and connection charging. However at a practical level that these work elements will be considered to be 'contestable'. This approach means that ICPs continue to benefit from the provisions of SLC15 as applicable, and that customers are not charged 'margin' at this stage of market development.

If you have any questions on the above, please do not hesitate to contact Paul Measday (07875 113241) in the first instance.

Yours sincerely



**Basil Scarsella**  
Chief Executive Officer

Copy: Keith Hutton, Head of Regulation, UK Power Networks  
Paul Measday, Regulatory Returns and Compliance Manager, UK Power Networks  
James Veaney, Ofgem