

Lesley Ferrando  
Distribution Policy  
Ofgem  
9 Millbank  
London  
SW1P 3GE

28 September 2015

Dear Lesley

### **UK Power Networks' Connection Charging Methodology and Statement**

Please find attached revised versions of our Connection Charging Methodology and Statement documents for UK Power Networks (Eastern Power Networks plc, London Power Networks plc and South Eastern Power Networks plc).

These contain the following amendments:

- Updates to reflect changes brought about by the Competition in Connections Code of Practice which comes into effect on 30 October 2015. Our intention is for this revised CCCMS version to also come into effect on the same date.
- Changes required for full implementation of DCUSA Change Proposal 190.

In accordance with Standard Licence Condition (SLC) 13.4, we are writing to seek Ofgem's approval of these proposed changes, which are described in more detail in the appendices to this letter. It is intended that, subject to Ofgem's approval, the changes will take effect from 30 October 2015.

If you have any questions about our submission, please do not hesitate to contact Neil Magrath in the first instance.

Yours sincerely



Keith Hutton  
Head of Regulation  
UK Power Networks

Copy: Paul Measday, Regulatory Returns & Compliance Manager, UK Power Networks  
Neil Magrath, Regulation Manager, UK Power Networks

## Appendix

SECTION/ PAGE	Sections: 6.5, 6.6, 6.14 Pages: 82 – 88	
TEXT CHANGES	Amendments to indicate ‘point of connection determination’ and ‘design approval’ may be carried out by an ICP as described in the Competition in Connections Code of Practice.	
RELEVANT OBJECTIVES UNDER LICENCE CONDITION 13	a) facilitates the discharge by the licensee of the obligations imposed on it under the Act and by this licence;	
	(b) facilitates competition in the generation and supply of electricity, and does not restrict, distort, or prevent competition in the transmission or distribution of electricity;	Acts to facilitate increased levels of competitive connections activity
	(c) results in charges which reflect, as far as is reasonably practicable (taking account of implementation costs), the costs incurred by the licensee in its Distribution Business; and	
	(d) so far as is consistent with sub-paragraphs (a), (b), and (c), the methodology, as far as is reasonably practicable, properly takes account of developments in the licensee’s Distribution Business.	
	(e) compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	
COMMENTS	This modification is required to indicate the new activity areas open to ICPs under operation of the Competition in Connections Code of Practice. It is expected that all DNOs will submit identical text as agreed at the ENA Commercial Operations Group, Connections Sub-group.	

SECTION/ PAGE	Sections: 6.31 Pages: 92	
TEXT CHANGES	New paragraph to explain operation of the de-minimus value.	
RELEVANT OBJECTIVES UNDER LICENCE CONDITION 13	a) facilitates the discharge by the licensee of the obligations imposed on it under the Act and by this licence;	
	(b) facilitates competition in the generation and supply of electricity, and does not restrict, distort, or prevent competition in the transmission or distribution of electricity;	
	(c) results in charges which reflect, as far as is reasonably practicable (taking account of implementation costs), the costs incurred by the licensee in its Distribution Business; and	Acts to properly recognise situations where the DNO would otherwise benefit from the value of electrical plant which is recovered from site and available for use elsewhere, including the administrative costs.
	(d) so far as is consistent with sub-paragraphs (a), (b), and (c), the methodology, as far as is reasonably practicable, properly takes account of developments in the licensee's Distribution Business.	
	(e) compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	
COMMENTS	This modification is required to indicate the de-minimis value associated with payments for recovered plant used for a temporary connection. It is expected that all DNOs will submit identical text (except for the actual de-minimis value) as agreed at the ENA Commercial Operations Group, Connections Sub-group.	