

**To: Western Power Distribution (West Midlands) plc (WMID)  
Western Power Distribution (East Midlands) plc (EMID)  
Western Power Distribution (South Wales) plc (SWALES)  
Western Power Distribution (South West) plc (SWEST)**

**Electricity Act 1989  
Section 11A(1)(a)**

**Modification of the special conditions of the electricity distribution licences held  
by the licensees above**

1. The licensees above are holders of an electricity distribution licence ('the Licence') granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 ('the Act').
2. Under section 11A(2) of the Act the Gas and Electricity Markets Authority ('the Authority')<sup>1</sup> gave notice on 9 December 2015 ('the Notice') that we propose to make minor corrections and modify typographical errors in Charge Restriction Conditions ('CRCs') 1B, 2A, 2C, 2J, 2M, 3A, 4A, 5B, 5C, 5D, 5G of the Licence. We stated that any representations to the modification proposal must be made on or before 11 January 2016.
3. A copy of the Notice was sent to the Secretary of State in accordance with section 11A(4)(b) of the Act, and we have not received a direction that the change should not be made.
4. We received one response to the Notice, which we carefully considered. We have placed this non-confidential response on our website. Our response to this comment is set out in Schedule 4.
5. It is necessary to make one additional alteration to the modifications set out in the Notice. We have clarified that the date in the definition of 'Network Assets Workbook' in CRC 5D.32 is the date of first publication. In the attached Schedules, the modifications set out in the Notice are shown in red font; this additional modification is shown in red font and yellow highlight.
6. We are making these licence changes to correct minor errors within the licence and to correct drafting discrepancies between Western Power Distribution's licences issued in May 2014 and the remaining licences issued in February 2015 in order to better articulate existing policy.
7. The effect of the modifications will be to improve readability and useability of the licence.
8. We are reissuing the Network Asset Workbooks under CRC 5D for the licensees above, in order to correct formulae errors and to correctly reflect the split of outputs for asset replacement and load-related high value projects respectively.
9. The modifications to the CRCs are set out in Schedule 1 of this notice and the reissued Network Asset Workbooks are set out in Schedule 2.
10. Where an application for permission to appeal our decision is made to the Competition and Markets Authority (CMA) under section 11C of the Act, Rule 5.7 of the CMA's Energy Licence Modification Appeals Rules<sup>2</sup> requires that the appellant must send to any relevant licence holders who are not parties to the appeal a non-

---

<sup>1</sup> The terms "the Authority", "we" and "us" are used interchangeably in this document.

<sup>2</sup> The rules were published by the Competition Commission in September 2012. On 1 April 2014, the Competition Commission was abolished and its functions transferred to the CMA.

confidential notice setting out the matters required in Rule 5.2. The attached Schedule 3 provides a list of the relevant licence holders in relation to this modification. Section 11A(10) of the Act sets out the meaning of 'relevant licence holder'.

Under the powers set out in section section 11A(1)(a) of the Act, we hereby modify the special conditions of the electricity distribution licence held by the licensees above in the manner specified in attached Schedule 1. This decision will take effect from 1 April 2016.

This document is notice of the reasons for the decision to modify the electricity distribution licence held by the licensees above as required by section 49A(2) of the Act.

**The Official Seal of the Gas and Electricity Markets Authority  
here affixed is authenticated by the signature of**



.....  
**Associate Partner, Paul Branston  
Duly authorised on behalf of the  
Gas and Electricity Markets Authority**

**29 January 2016**

**Schedule 1: Modifications to the special conditions of the electricity distribution licences held by the four licensees owned by WPD**

A copy of the modifications to the special conditions can be found on our website at:

<https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-decision-minor-modifications-special-conditions-electricity-distribution-licences-held-western-power-distribution-plc-wpd>

**Schedule 2: Reissue of Network Asset Workbooks for WPD under the electricity distribution licences held by these licensees**

A copy of reissued Network Asset Workbooks can be found on our website at:

<https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-decision-minor-modifications-special-conditions-electricity-distribution-licences-held-western-power-distribution-plc-wpd>

We have also included at this link the re-issued Monetised Risk Workbooks.

### Schedule 3: Relevant Licence Holders<sup>3</sup>

Western Power Distribution (East Midlands) Plc	Avonbank Feeder Road Bristol BS2 0TB United Kingdom
Western Power Distribution (South Wales) Plc	Avonbank Feeder Road Bristol BS2 0TB United Kingdom
Western Power Distribution (South West) Plc	Avonbank Feeder Road Bristol BS2 0TB United Kingdom
Western Power Distribution (West Midlands) Plc	Avonbank Feeder Road Bristol BS2 0TB United Kingdom

---

<sup>3</sup> Electricity licence holders are listed at: <https://www.ofgem.gov.uk/publications-and-updates/all-electricity-licensees-registered-addresses>

#### **Schedule 4 – Responses to the representations received**

- One DNO raised a point of clarification in relation to the legal status of the Monetised Risk Workbook, which we had issued alongside the Network Asset Workbook in the statutory consultation.

We appreciate that in current licence drafting there may be a lack of clarity regarding the formal status of the Monetised Risk Workbooks. In order to be clear that the Monetised Risk Workbook should have the same legal status as the Network Asset Workbook, we intend to make the necessary changes to the workbook and/or licence at the next window of opportunity and following due process.