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By email only to: RIIO.ED1@ofgem.gov.uk

18 July 2016

Dear Grant

Statutory consultation on DPCR5 close down

Thank you for the opportunity to comment on the above notice, dated 20 June 2016. 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 both the amendments to licence condition CRC3A and the price control financial handbook and are supportive of the proposed changes. Accordingly we do not wish to make a formal representation.

We have set out in the accompanying file a small number of corrections and clarifications to the chapters of the handbook.

In respect of CRC3A, we note that the adjustment for DPCR5 Network Output Measures is now the only one in this licence condition which specifically refers to a "revenue adjustment". This difference could be misinterpreted as signalling a difference between this and the other adjustments which does not exist. We believe that a consistent naming approach is more appropriate and is best achieved by backing out the proposed change to the DPCR5 Network Output Measures title.

Our final observation is one that was raised to you at the Regulation Managers' meeting on 23 June. We are seeking confirmation that licensee(s) will not be adversely affected by the shortened timescales for responding to any late requests for information where they had not been required to submit a Performance Assessment Submission. The specific circumstance where we see potential for this is where a licensee has not been required to provide a Performance Assessment Submission and information is then required to be provided to Ofgem as a result of either the Performance Assessment Q&A or the stakeholder consultation in 2017. In such circumstances we seek support for prompt and detailed engagement between Ofgem and the affected licensee(s) to ensure they are not adversely affected by the shortened timescales they will have to respond to this late requirement for information.

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

Yours sincerely



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UK Power Networks

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