

HalfHourlySettlement@ofgem.gov.uk

Avonbank
Feeder Road
Bristol
BS2 0TB

Telephone 0117 9332175
Email asleightholm@westempower.co.uk

James Earl,
Senior Policy Manager
Settlements
Ofgem
9 Millbank,
London
SW1P 3GE

Our ref

Your ref

Date

5 December 2017

Dear James,

Mandatory Half-Hourly Settlement: aims and timetable for reform

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.

The consultation notes the working being undertaken by DNOs in conjunction with Ofgem on network charging and data privacy. We will continue to work with the industry on these issues. In particular DNOs are working with Ofgem to develop time of use tariffs (red/amber/green tariffs) to implement the requirements of DCP268.

The consultation indicates that suppliers would be mandated to settle their customer's bills on a half hourly basis. We are working on the assumption that for profiles classes 1-4 this means that these customers DUOS charges will remain billed via their supplier and that DNO's continue to bill Suppliers under super customers arrangements. We do not envisage a move to individual settlement and billing of DUOS charges for customers on profile classes 1 to 4. If such a change was considered this would involve WPD implementing new IT systems to process individual DUOS charges for 7 million customers on profiles 1-4, new customer service interfaces and processes to deal with billing enquiries and a fundamentally significant increase in clerical resources.

If you wish to discuss our response further please contact Natasha Richardson at nrichardson@westempower.co.uk or 0117 9332382

Yours sincerely



ALISON SLEIGHTHOLM
Regulatory & Government Affairs Manager