

Steve McMahon  
Deputy Director, Electricity Distribution and Cross Sector Policy, Systems and Networks  
Ofgem  
Commonwealth House  
32 Albion Street  
GLASGOW  
G1 1LH

By email only to: [regfinance@ofgem.gov.uk](mailto:regfinance@ofgem.gov.uk)

9 November 2020

Dear Steve

Statutory consultation on proposed changes to the Special Conditions (also known as the Charge Restriction Conditions 'CRC') of the electricity distribution licence

Thank you for the opportunity to comment on the above statutory consultation, dated 12 October 2020. 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.

Having reviewed the draft amendments to the licence condition we note they have been amended in line with the feedback given by the ENA which addresses all bar one of our concerns. The remaining minor point we seek your input on is: paragraph 2B.3 includes a footnote referring to terms being nominal. We do not believe that this footnote is actually part of the licence condition and should be removed.

Once this statutory process has concluded we look forward to working with you to ensure the drafting for the following items are progressed for the ED2 licence:

- for the Network Charge Deferral Scheme – an ability to return to customers any bad debt which has been recovered from the administrator and this is likely to be in 2023/24; and
- for other forms of bad debt, an ability to recover the bad debt which has already been reported under SLC 2B.40.

If you have any queries on our response please contact Paul Measday in the first instance.

Yours sincerely



Basil Scarsella  
Chief Executive Officer

Copy: Mick Watson, Ofgem

Suleman Alli, Director of Customer Service, Strategy, Regulation & IS, UK Power Networks

James Hope, Head of Regulation & Regulatory Finance, UK Power Networks

Paul Measday, Regulatory Returns & Compliance Manager, UK Power Networks

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