

**UK  
Power  
Networks**



**Statement of the Use of  
System Charging  
Methodology**

UK Power Networks  
(IDNO) Ltd

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## Contents

1.	Introduction	4
1.1	Who We Are	4
1.2	Licence Obligations	4
2.	Charging Methodology	5
2.1	Methodology	5
2.2	Distribution Use of System	5
3.	General	6
3.1	Contact Details	6
3.2	UK Power Networks (IDNO) Ltd Website	6

# 1. Introduction

## 1.1. Who We Are

UK Power Networks (IDNO) Ltd owns and operates the licensed electricity distribution business serving the London Olympic Park and Stratford City sites.

This statement is produced by UK Power Networks (IDNO) Ltd, although certain responsibilities may be undertaken by associated companies or agents. It has been approved by the Office of Gas and Electricity Markets (Ofgem). Any future modifications to this statement will require approval from Ofgem.

## 1.2. Licence Obligations

This statement sets out UK Power Networks (IDNO) Ltd's Distribution Use of System (DUoS) Charging Methodology. It is prepared in accordance with the requirements of UK Power Networks (IDNO) Ltd's Electricity Distribution Licence issued under the Electricity Act 1989, as amended from time to time.

UK Power Networks (IDNO) Ltd is required by Licence Condition 13 to prepare a statement approved by the Authority setting out the methodology upon which charges will be made for the use of its distribution system. UK Power Networks (IDNO) Ltd is also required to review this statement annually to ensure that the objectives of the licence condition continue to be achieved. The relevant licence obligations are as follows:

- a) That compliance with the Use of System Charging Methodology facilitates the discharge by UK Power Networks (IDNO) Ltd of the obligations imposed on it under the Act and by the Distribution Licence;
- b) That compliance with the Use of System Charging Methodology 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) That compliance with the Use of System Charging Methodology results in charges that reflect, as far as is reasonably practicable (taking account of implementation costs, the costs incurred by UK Power Networks (IDNO) Ltd in its distribution business; and
- d) That, so far as is consistent with sub-paragraphs (a), (b) and (c), the Use of System Charging Methodology, as far as is reasonably practicable, properly takes account of developments in UK Power Networks (IDNO) Ltd's distribution business.

In addition, as an Independent Distribution Network Operator (IDNO), UK Power Networks (IDNO) Ltd is required by Licence Condition 51 to set its DUoS charges so that, except

without prior written consent of the Authority, the standing charge, unit rate and any other component of charges shall not exceed the Distribution Use of System charges to equivalent domestic customers.

## **2. Charging Methodology**

### **2.1. Methodology**

UK Power Networks (IDNO) Ltd will replicate the DUoS charges and associated Line Loss Factors in the host DNO's service area to ensure that all demand and generation customers connected to our systems pay no more for their Use of System charges than if they were connected directly to the host DNO's distribution system for that distribution area.

### **2.2. Distribution Use of System Charges**

UK Power Networks (IDNO) Ltd's DUoS charges are published in our Licence Condition 14 Statement which can be found at [www.ukpowernetworks.co.uk](http://www.ukpowernetworks.co.uk).

## **3. General**

### **3.1. Contact Details**

If you have any questions about the contents of this statement please contact us at the address shown below:

Chris Ong  
Distribution Pricing Manager  
UK Power Networks (IDNO) Ltd  
Energy House  
Hazelwick Avenue  
Crawley RH10 1EX

Or by telephone/fax:

Tel: 01293 657937  
Fax: 01293 657956

Or via email to:

[distributionpricing@ukpowernetworks.co.uk](mailto:distributionpricing@ukpowernetworks.co.uk)

### **3.2. UK Power Networks (IDNO) Ltd Website**

Copies of this and other UK Power Networks (IDNO) Ltd statements are available for download free of charge from our website: [www.ukpowernetworks.co.uk](http://www.ukpowernetworks.co.uk)