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## **National Grid Response to Ofgem's RIIO-2 Non-operational IT Capex Re-opener Consultation**

This letter is National Grid Electricity Transmission's (NGET's) response to Ofgem's document 'RIIO-2 Non-operational IT Capex Re-opener Consultation' dated 1<sup>st</sup> September 2021.

Our response comprises three parts;

- Part A. Comments on the Proposed Direction (Section 6 of the consultation document)
- Part B. Responses to the specific questions posed within the consultation document (Appendix 1 of the consultation document)
- Part C. Comments on the proposed PCDs for the Artificial Intelligence investment (Section 6, Table 7 of the consultation document)

### **Part A. Comments on the Proposed Direction (section 6 of the consultation document)**

NGET accepts the proposed direction set out in the consultation.

### **Part B. Responses to the specific questions posed within the consultation document (Appendix 1 of the consultation document)**

#### **1. Do you agree with our view of the validity of the needs case for the NGET Non-Operational IT Capex Re-opener application for additional AI Capabilities?**

We agree with sections 3.11, 3.12 and 3.13 of the consultation document.

#### **2. Do you agree with our technical assessment of the range of solutions to meet the needs case?**

We agree with sections 4.4, 4.8 and 4.10 of the consultation document.

#### **3. Do you agree with our minded-to view of the solution proposed by NGET?**

We agree with sections 4.11 of the consultation document.

#### **4. Do you agree with our cost assessment of the NGET Non-operational IT Capex Re-opener Application for AI Capabilities?**

We agree with sections 5.6, 5.10, 5.12 and 5.14 of the consultation document with the below context;

NGET acknowledge the cost assessment and that it will allow us to deliver a product that demonstrates benefits to consumers, as outlined in our initial submission, and build upon in the future. As indicated in sections 4.11, 5.12 and 5.14 it is expected NGET will make a January 2023 submission for further funding for one capability (Scenario Modelling) following implementation of a 'richer proof of concept' and 'a stronger understanding of the consumer benefit realised.'

#### **Part C. Comments on the proposed PCDs for the Artificial Intelligence investment (Section 6, Table 7 of the consultation document).**

We agree with the PCDs within section 6.4 of the consultation document and believe these are achievable and accurately reflect working discussions with Ofgem.

For queries in relation to our consultation response, please contact [leanne.evans@nationalgrid.com](mailto:leanne.evans@nationalgrid.com).

Yours, sincerely

Leanne Evans (by email)  
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