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nationalgrid

Nathan MacWhinnie
Deputy Director, Price Controls
Ofgem
10 South Colonnade
Canary Wharf
London E14 4PU

15th August 2024

Dear Nathan,

Re: RIIO-ED2 Statutory Licence Consultation: Special Licence Condition 1.2 (Definitions and references to the Electricity Distributors) and 4.8 (Distribution System Operation (DSO) output delivery incentive)

I am writing on behalf of National Grid Electricity Distribution (South Wales) plc, National Grid Electricity Distribution (South West) plc, National Grid Electricity Distribution (East Midlands) plc and National Grid Electricity Distribution (West Midlands) plc, collectively known as “NGED”, in response to Ofgem’s recent statutory consultation on changes to Special Licence Condition 1.2 (Definitions and references to the Electricity Distributors) and 4.8 (Distribution System Operation (DSO) output delivery incentive).

NGED welcomes the opportunity to comment on the proposed changes, namely:

1. To not switch on the outturn performance metrics during RIIO-ED2;
2. To reallocate the 20% weighting (originally designed for the outturn performance metrics from Year 2 of RIIO-ED2) evenly to the performance panel and stakeholder satisfaction survey); and
3. Consequential impact on licence values.

We agree with taking the proposed modifications forward.

Should you have any queries, please do not hesitate to contact me.

Yours sincerely

BEN GODFREY
Director of Distribution System Operator
National Grid Electricity Distribution