

Our Ref: ORG13-A1981  
CG/KR

Your Ref: -

John Costyn  
Head of Environmental Policy  
Ofgem  
9 Millbank  
London  
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09 February 2007

Dear John

### **OFGEM FIRST ANNUAL SUSTAINABLE DEVELOPMENT REPORT**

Thank you for your letter to me of 19 December 2006 providing the Scottish Environment Protection Agency (SEPA) with the opportunity to comment on your first Annual Sustainable Development Report.

SEPA welcomes the publication of this, the first annual Sustainable Development Report and commends Ofgem for setting out clearly the themes under which it will measure and monitor progress.

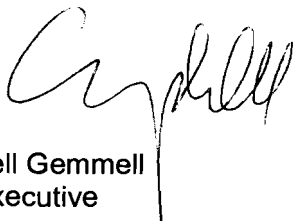
The report sets out five themes and fourteen indicators under which progress is presented. The themes and indicators represent a good cross section of those areas where Ofgem would be expected to have an interest. The format of each theme is helpful in clarifying Ofgem's thinking and in highlighting areas where Ofgem sees other bodies taking a leading role. While not wishing to endorse the detail of this analysis in every case the approach is nevertheless welcome.

More use of targets and indicative aspirations for future years would both add to the clarity of the presentation and provide a sense of the challenge faced by Ofgem and other stakeholders.

It is encouraging to note the extent to which integrating the promotion of sustainable development has been possible along side the promotion of competition and protection of consumers. We look forward to this promising start to be followed up with more action in the years ahead.

As a public body committed to openness and transparency, SEPA feels it is appropriate that this response be placed on the public record. If you require further clarification on any aspect of this correspondence, please contact me or Evan Williams, Sustainable Development Unit Manager, SEPA Corporate Office, at the address shown below.

Yours sincerely



Campbell Gemmell  
Chief Executive



Chairman  
Sir Ken Collins

Chief Executive  
Dr Campbell Gemmell

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