



David.Hunt@ofgem.gov.uk

16th July 2007

Dear David,

Beaulieu-Denny Income Adjusting Event consultation

EDF Energy is pleased to have the opportunity to comment on the Beaulieu-Denny Income Adjusting Event consultation.

We consider it important that the Beaulieu-Denny line is ultimately constructed, subject to a positive outcome from the careful and proper considerations of the Public Inquiry. We regret that more information has not been made available on the cost overruns that SSE is said to have occurred; we have essentially been given six very broad headings (two or three words per heading) each with a single cost number for 2006/7 and 2007/8. The underlying detail is not given at all and it is therefore unusually hard to comment substantively.

We do not generally approve of the use of IAE's other than under strict conditions, and would have liked the opportunity to comment on some substantive detail on what costs are actually involved here. Nonetheless, notwithstanding the lack of this detail, the progress of the B-D line is important and therefore we would accede to the IAE.

Yours sincerely,

Paul Mott,
Electricity Regulation
Energy Branch