Balfour Beatty Utility Solutions

Limited Park Square Newton Chambers Road Chapeltown Sheffield S35 2PH

4th February 2011

FAO James Grayburn Head of RIIO-GD1

Dear Mr Grayburn

Re: RIIO-GD1 Overview Paper – Consultation Response and Questions

Balfour Beatty has been involved in the Stakeholder Consultation process through proactive engagement from both our trade body the SBGI and directly from one of the GDNOs.

We have welcomed this inclusive approach and the opportunity to engage with these groups at a strategic level. We have found the mixed sessions to be engaging and informative, not only assisting the Network Operators, but also offering us a greater understanding of the wider challenges forthcoming in the next Price Control period.

We have answered two of the questions below which we feel have not already been covered within the stakeholder engagement sessions to avoid duplication, and added a further comment with regards to the Environmental aspects of RIIO.

Chapter: One

Question 1: Do you have any comments on the proposed process and timetable for the review?

Response: Balfour Beatty feels that the process was carried out in a way that facilitated open and honest communication and sharing of opinions. We feel we have had excellent opportunity to put forward our opinions to the right individuals and in an appropriate forum.

The consultation period, though fairly short, ensured momentum of the process and engagement of individuals. We believe that the duration was appropriate.

Chapter: Three

Question 1: Do you have any comments on the overall approach to stakeholder engagement?

Response: The variety of forums and engagement with Suppliers, Contractors and Industry Bodies enabled a good cross-section of the industry to be represented.

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Additional comments: Environmental

In section 4.5 the document identifies 6 key output categories, two of which are environment and social objectives. For both these outputs the behaviours that the

document is seeking to en ourage place a very narrow focus on the areas. For example, the environment output only talks about carbon, with no mention of water, biodiversity, waste, materials or archaeology. This may cause conflict with other interest groups who have a much wider definition of environment. In a similar vein, the social impact only covers fuel poverty and carbon monoxide which may again lead to a narrow definition of the social aspects of the networks, and cause conflict with other interest groups.

Yours sincerely

Jonathan Chapman, Head of Strategic Development

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