



Independent Gas Transporters
and other interested parties

*Promoting choice and value for
all gas and electricity customers*

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Dear colleague

Extension to the consultation on the cost of capital for the reasonable profits test

The initial consultation letter of 16 July¹ sought initial qualitative views on factors affecting the cost of capital for the purposes of the reasonable profits test applied to legacy sites operated by independent gas transporters (iGTs). Respondents to the consultation have indicated that they would prefer to give a more reasoned and quantitative response in the first instance and that to do so will require more time. The consultation period is therefore extended such that it will now close on Thursday 4th November.

If you would like to discuss any aspect of this letter then please do not hesitate to contact Dan Rock².

Yours sincerely

Peter Trafford
Head of Regulatory Finance

¹ See <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=110&refer=Networks/GasDistr/IGTReg>

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