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Our Reference NG/LAD  
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Dear Andy,

## **Proposed Corporate Strategy and Plan 2011-2016**

National Grid welcomes the opportunity to comment on Ofgem's 2011 Corporate Strategy and Plan. In terms of the consultation questions:

Q1: Are the proposed themes suitable?

As the themes are consistent with the three key aspects of the Authority' principle objective (of protecting the interests of consumers in terms of achieving value for money, reducing greenhouse gas emissions and maintaining security of supply) together with Ofgem's duties to deliver Government programmes, we agree that they are suitable.

Q2: Have we identified the right priorities within each theme?

The identified priorities cover what we consider to be the key activities. The descriptions of these activities are admirably concise and clear. While it would be unwieldy to go into undue detail on each activity, especially as almost all will be subject to other detailed consultations, it would be helpful to the understanding of Ofgem's strategy if descriptions always cover the "how" and "why" relating to activities as well as the "what".

Q3: Is Ofgem's approach to the challenges ahead the right one?

As noted in Lord Mogg's forward, despite unprecedented change and review of the regulatory context, Ofgem's duty to consumers remains undiminished and so related activities must continue. It is important to the discharging of this duty that regulation remains independent of government and focused on economic evidence. To this end, we would welcome details in the corporate strategy and plan how Ofgem intends to maintain its capabilities in these areas.

Q4: Are there any areas of regulation that constitute an unnecessary burden that should be removed?

We welcome Ofgem's plans concerning the review of licences and regulatory reporting requirements. We shall address our detailed points in consultations relating to these work areas.

Q5: What performance measures do you believe we should use?

We note that Ofgem's formal reporting requirements are subject to review and the outcome of this review should be considered before further development of performance measures.

Yours sincerely,

Lewis Dale

Cc:

Paul Whittaker, UK Director of Regulation