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Registered in England and Wales No: 3870728

Company: UK Power Networks (Operations) Limited

Andy MacFaul Head of Better Regulation Ofgem 9 Millbank London SW1P 3GE

21 February 2011

Dear Andy

Proposed Corporate Strategy and Plan (2011-16)

Thank you for providing us with the opportunity to comment on Ofgem's proposed corporate strategy and plan for 2011–16. This letter should be regarded as a consolidated response on behalf of our four distribution companies: Eastern Power Networks plc, London Power Networks plc, South Eastern Power Networks plc, and UK Power Networks (IDNO) Ltd. Our response is not confidential and can be published on Ofgem's website.

We have reviewed the document and would like to make the following points in relation to energy networks:

- We look forward to working with Ofgem to support the implementation of the new RIIO model in the next transmission and gas distribution price control reviews and would be pleased to share the outputs of our work to develop a Totex framework.
- We support Ofgem's intention to review the reporting requirements placed on transmission and distribution companies.
- We note and welcome Ofgem's proposal to conduct a lessons learned review of the Dartford supply incident (we understand this was previously discussed by the Quality of Service Working Group) and will support Ofgem in this process.

With regard to the overall clarity of the document, we have two further observations:

- Where relevant, the performance indicators in the appendices should be expressed in calendar or working days (this is not always the case).
- There is not always a clear linkage between the sections in the body document and the appendices. For example, the lessons learned review of the Dartford supply incident is mentioned in section 2 (see page 4) but is not listed as a proposed deliverable in the appendices.

We hope that you will find these comments helpful. If you have any questions, please contact me on 01293 657854.

Yours sincerely

Gemma Cox Regulatory Analyst

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