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8 February 2013

Dear Philip

### **Draft Forward Work Programme (2013–14)**

Thank you for the opportunity to comment on the above document. This letter should be regarded as a consolidated response on behalf of UK Power Networks' four licensed distribution businesses: Eastern Power Networks plc, London Power Networks plc, South Eastern Power Networks plc, and UK Power Networks (IDNO) Limited. Our response is not confidential and can be published via the Ofgem website.

Ofgem's strategic priorities for the coming year will generate positive changes for the energy industry and it is pleasing to note that many of these priorities are clearly aligned to primary areas of focus for network companies; in particular:

- developing the RIIO-ED1 regulatory framework in preparation for the next distribution price control
- devising new initiatives to better protect the interests of, and provide additional support to, vulnerable customers
- facilitating the transition to a low-carbon economy and preparing for the roll-out of smart metering

We are committed to working with Ofgem and the industry to deliver these priorities, which we believe are fundamental to achieving Ofgem's core policy objectives – providing an affordable, secure and sustainable energy system and protecting energy consumers' interests.

Finally, we would like to draw your attention to a typographical error in the document. According to paragraph 1.4 of section 1 (Promoting Value for Money), 'RIIO' is derived from 'Revenues = Investment + Innovation + Outputs'. 'Revenues' should be replaced with 'Revenue', and 'Investment' with 'Incentives', as per the glossary of terms in Appendix 2.

We hope that you will find our comments helpful and look forward to the publication of the finalised Forward Work Programme. In the meantime, if you have any questions, please do not hesitate to contact me.

Yours sincerely



Keith Hutton  
Head of Regulation

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