

Regulation & Commercial

Your ref

Our Ref

Date 22 January 2014 Contact / Extension 0141 614 1612

Hannah Nixon Senior Partner, SG&G: Distribution Ofgem 9 Millbank London SW1P 3GE

Dear Hannah

(by email to:

SP Energy Networks Response to:

- i) Assessment of RIIO-ED1 business plans and fast-tracking; and
- ii) RIIO-ED1: Draft Determination for Western Power Distribution Ltd

The attached documents provide the response of SP Energy Networks to the consultations referenced above. Please note that this does not contain any references to Market Equity Returns as we responded to the separate Ofgem consultation in this regard. We have included this as an appendix to these responses for ease of reference.

Please note that we have divided our responses into two documents:

hannah.nixon@ofgem.gov.uk &

RIIO.ED1@ofgem.gov.uk)

- a) A short executive summary which we are happy for Ofgem to publish.
- b) A more lengthy detailed response that we wish to be treated as confidential.

As I am sure you are aware we were disappointed with the outcome of the ED1 Fast Track process. I would like to emphasise however that we are committed to working with Ofgem throughout the remainder of the RIIO-ED1 process to ensure that it addresses misunderstandings and results in a high quality outcome which protects and benefits SPEN's stakeholders.

We are confident that Ofgem will treat the following comments as the basis for constructive dialogue and the starting point for further work designed to secure a high quality outcome for consumers.

I look forward to discussing these matters further with you and the wider Ofgem and GEMA teams involved in assessing SP Energy Networks ED1 plan in the normal track process.

Yours sincerely

Scott Mathieson Regulation and Commercial Director

Ochil House, 10 Technology Avenue, Hamilton International Technology Park, Blantyre, G72 0HT

Telephone: 0141 614 0008

www.scottishpower.com

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