

Mark Wagstaff Office of Gas and Electricity Markets 9 Millbank London SW1P 3GE

30 May 2014

Dear Mark,

Consultation on Ofgem Simplification Plan 2014/15

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

EDF Energy welcomes the opportunity to respond to Ofgem's invitation to provide views as to what could be included within Ofgem's 2014/15 Simplification Plan. EDF Energy supports Ofgem's commitment of placing the better regulation principles at the heart of its work. We believe the active adoption of such principles will promote competition, protect consumers' interests and deliver a stable and predictable regulatory environment that will facilitate new entry and investment in energy markets.

We share a common goal with Ofgem to help rebuild consumer trust, confidence and engagement, and together with safety this is a top priority for EDF Energy. In achieving this goal, we believe that Ofgem (and Government), together with the industry, could do more to better inform consumers about the drivers of energy costs to help reassure them that they are getting fair and competitive prices.

As part of this, we believe that Ofgem should play a stronger role in providing consumers with a trusted, clear and consistent narrative on the way the complex energy sector operates and the cost drivers that are reflected in consumer energy prices. We believe a commitment to be more proactive in this area should be included as part of Ofgem's next Simplification Plan.

An example of the use of such a regulatory tool is Ofgem's Supply Market Indicators, and we very much welcome Ofgem's recent improvements to the methodology behind, and the presentation of, these indicators. However, we encourage Ofgem to go further. For example, by publishing forecast impacts on consumers of network price settlements in a consumer friendly document.

Should you wish to discuss any of the issues raised in our response or have any queries, please contact Steven Eyre on 01452 653741, or myself.

I confirm that this letter may be published on Ofgem's website.

Yours sincerely,

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Paul Delamare Head of Downstream Policy and Regulation

EDF Energy

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