

James Veaney
Head of Distribution Policy
Ofgem
9 Millbank
London
SW1P 3GE

Your ref

Our Ref

Date

31st July 2014

Contact / Extension

Paul McGimpsey
0141 614 1951

Dear James,

RE: Review of the market for new connections to the electricity distribution system

I am writing in response to Ofgem's open letter "Competition in electricity distribution connections - call for evidence" dated 24th June 2014, which set out its review of the market for new connections to the electricity distribution system (the "Open Letter") and invites customers and stakeholders to contribute to its call for information by 31 July 2014.

As you will be aware, SP Energy Networks (SPEN) submitted its Competition Test Notice on behalf of SP Distribution plc (SPD) and SP Manweb plc (SPM), on the 16th August 2013 for each of the relevant market segments (RMS) defined in their respective Distribution Licences. In addition, an Annual Report was submitted on the 28th June 2014 setting out supporting information to demonstrate that SPD and SPM continue to meet the Competition Test and Legal Requirements Test for the RMSs in which unregulated margins have been permitted.

SPEN has a long history of promoting competition in connections. We therefore welcome Ofgem's review of the connections market, as demonstrated by our engagement to date, and will be providing our full support to the review set out in the Open Letter. We have expressed our eagerness to meet with your team on a bilateral basis once the present call for information has closed and feedback from stakeholders and customers has been received. We will seek to use that opportunity to discuss how we have been and will address the specific points raised by stakeholders and customers in response to the Open Letter and to further understand the review process and specific areas where our input will be of value. In addition we are also keen to discuss the continued improvements in processes, procedures and behaviours we are making within our Business.

We note that Ofgem's Call for Information has been directed at customers and independent providers. Whilst we will not be providing a separate response as a result, we look forward to setting a date for a bilateral meeting and I would urge you to contact me if there are any specific areas in which we can be of assistance.

Yours sincerely,

Paul McGimpsey

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