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Rhianne Ogilvie
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9 April 2015

Dear Rhianne,

Assessing the energy efficiency potential of Great Britain's energy infrastructure

Thank you for the opportunity to provide comments on your draft report which assesses the energy efficiency potential of the gas and electricity infrastructure in Great Britain. As a gas distribution network (GDN), we have only reviewed the sections of the draft report that relate to gas distribution activities.

As you will be aware, we have been very active in working with Ofgem on this subject and we believe the benefits of such a collaborative approach is demonstrated in the overall quality of the draft report.

Overall we believe the draft report is fit for purpose and accurately reflects the potential of gas distribution networks. However, we do have some suggestions for minor improvements to the draft report as follows:

1. The combined percentages included under leakage within Figure 10 do not round to 100% (they currently round to 101%). To correct this, we believe the AGI percentage should be reduced from 9% to 8%. We have amended this diagram accordingly and attach this separately for your reference; and
2. We consider there is the potential for Ofgem to cross reference some of their other industry reports and consultations to underpin statements included in the draft report. For instance, since the draft report was released for consultation Ofgem has published its annual RIIO-GD1 annual performance report and its minded to position on reviewing the Fuel Poor Network Extension Scheme. We believe there would be benefit to all parties to include references to these developments within the final report as they provide tangible evidence of how GDNs are delivering their energy efficiency outputs and what Ofgem is doing to monitor this progress.

Thank you again for the opportunity to provide you with our views, and we trust our comments will be useful in improving the draft report to better reflect the energy efficiency potential of Great Britain's energy infrastructure.

Should you require any further information with regards to our response then please do not hesitate to contact either David Wylie at david.wylie@sgn.co.uk or myself at paul.mitchell@sgn.co.uk.

Yours sincerely,

Paul Mitchell
Regulation Manager