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Contact / Extn:
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Dear Clothilde

Proposal to issue the Business Plan Commitment Reporting Guidance

We would like to thank Ofgem for the opportunity to provide comment on the proposed Business Plan Commitment Reporting Guidance. The proposal of such a report is a positive step for stakeholders and the industry. We believe that this will allow it to demonstrate the good work we do for communities and in keeping the lights on at an efficient cost for consumers.

We are supportive of Ofgem's proposal to introduce a new summary spreadsheet in the Regulatory Instructions and Guidance, which pulls together key indicators of performance from existing data already reported in the RIGs. We also believe that the introduction of the DNO ED1 annual report is of importance to our stakeholders.

As a general point, we note that the guidance states that the price base for all values must be in 2012/13 prices, and would highlight that this is a step away from the approach utilised in the equivalent Transmission report. To provide our stakeholders with an accurate view, we believe that all prices should be in current year prices, otherwise a stakeholder comparing transmission companies to Distribution companies will not be comparing like for like. A consistent approach would improve transparency for stakeholders.

The RIGS summary sheet will be useful for providing key information which is consistent across DNOs. We would however, request further clarity in relation to the scope of forecasting data in this worksheet.¹ Therefore we suggest that the published excel worksheet includes only the current and previous years. For example, CI/CML is not a value which lends itself to forecasting.

¹ It is our understanding that forecasts are only required for Table M16 'Forecasts' in Annex B – Costs and Volumes; Table F3 'Financing Requirements' in Annex C - Financial Issues; and Tables E4 'Losses Snapshot' and E6 'Innovative Solutions' in Annex J – Environment and Innovation.

In relation to the guidance document itself, we wish to raise specific comments as detailed below:

- At paragraph 1.5, we would urge that any future changes to the guidance are limited to the months following the publication of the latest report (i.e. November to January) to ensure that the changes do not impact on the DNOs ability to complete a timely and accurate report.
- Paragraph 5 requires that licensees include information on previous regulatory years within the appendices. We believe that this requirement may be overly prescriptive. We will engage with stakeholders and listen to their views, therefore, we would not wish to be obliged to publish year on year data in a prescriptive manner. We suggest that Ofgem oblige DNOs to provide information on previous regulatory years in a format shaped by stakeholders.

We hope that the above comments are helpful towards the development of this report. Please do not hesitate to contact me should you have any queries at all in relation to our comments.

Yours sincerely,

A handwritten signature in black ink that reads "S. Rogan". The signature is written in a cursive, flowing style.

Stephanie Rogan
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