



Paul Heseltine
Ofgem
9 Milbank
London
SW1P 3GE

Andy Baugh
Phone: 07989 493361
Email: andy.baugh@npower.com

26 July 2016

Dear Paul,

Consultation on the proposed changes to the Ofgem Licence fee principles

RWE npower welcomes the opportunity to offer its views on the proposed changes to the Ofgem Licence fee principles.

We broadly accept and agree with the changes that Ofgem have put forward in this consultation.

We agree that Ofgem should be afforded a level of budget flexibility in light of the changing landscape of the domestic energy market. It must however offset this uncertainty with a strict appreciation of what falls within the remit of this budgetary addition.

RWE npower believes that ad hoc projects should more closely cover reform and renovation within the energy market, rather than treating wider infrastructural concerns. If the remit becomes too wide, then industry, and further, the consumer, risk bearing a greater cost burden.

This response is not confidential. If you have any questions, please do not hesitate to contact me directly. We are available to discuss if this is helpful to you.

Yours sincerely,

Andy Baugh
Future Regulatory Development Manager
RWE npower

RWE npower

2 Princes Way
Solihull
B91 3ES

T: 07989 493361
I: www.npower.com

Registered office:
RWE Npower Group plc
Windmill Hill Business Park
Whitehill Way
Swindon
Wiltshire SN5 6PB

Registered in England
and Wales no. 8241182