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By email only to: futuresupply@ofgem.gov.uk

UK Power Networks' Response to "Future supply market arrangements – call for evidence"

Dear Neil

Thank you for the opportunity to respond to your call for evidence on "Future supply market arrangements". We are the UK's largest electricity Distribution Network Operator (DNO), dedicated to delivering a safe, secure and sustainable electricity supply to 8.2 million homes and businesses across London, the East and South East of England. Our response should be treated as consolidated on behalf of UK Power Networks' three distribution licence holding companies: Eastern Power Networks plc, London Power Networks plc, and South Eastern Power Networks plc.

The entire energy system is undergoing significant change and as such your review of the current supply market arrangements is timely. UK Power Networks has a proven record of delivering savings for customers and is progressing well on its transition to becoming a DSO. As the precise role and definition of a DSO continues to evolve we welcome the opportunity to explore whether changes in the supply market arrangements could deliver further benefits to customers.

With UK Power Networks' proven track record of delivering for customers and our industry leading role in transitioning to a DSO we look forward to working with you and stakeholders on how any proposed changes to the supplier hub model could be integrated into the future RIIO2 framework in order to deliver further savings for customers. Your letter discusses the scoping phase of this work and as both your and our thinking develops in this area we would welcome the opportunity to be actively involved in the proposed stakeholder workshops.

If you wish to discuss any part of our response, or indeed wider issues, please do not hesitate to contact me.

Yours sincerely



James Hope
Head of Regulation & Regulatory Finance
UK Power Networks



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