

esoperformance@ofgem.gov.uk

Avonbank  
Feeder Road  
Bristol  
BS2 0TB

Telephone 0117 9332435  
Email [nturvey@westernpower.co.uk](mailto:nturvey@westernpower.co.uk)

Our ref

Your ref

Date

29 November 2018

## **Call for input on 2019-20 ESO regulatory and incentive framework**

I am writing to your request for feedback on the above.

Western Power Distribution is the Distribution Network Operator (DNO) that serves 7.8 million customers across the South West of England, South Wales and the Midlands.

We agree that given that this incentive has not completed its first year it would be inappropriate to make any substantial change to the framework at this point.

Regarding the forward plan process, the most difficult area is assessing which activities and output should be consider baseline as the regulatory settlements do not specify precise activities but, quite rightly, are based on achieving outcomes. This does lead to uncertainty over which activities can be classed as being 'funded' and hence expected as part of a baseline performance and those which should be assessed for reward under the incentive.

If you require any further information please feel free to contact me at [nturvey@westernpower.co.uk](mailto:nturvey@westernpower.co.uk).

Yours sincerely



Nigel Turvey  
Network Strategy and Innovation Manager