

Akshay Kaul
Director of Networks
Ofgem
10 South Colonnade
Canary Wharf
London
E14 4PU
04 September 2020

Dear Akshay,

RIIO-T2 Draft Determination – consultation response

I am pleased to submit our full response to Ofgem's RIIO-2 Draft Determinations consultation. When we met last month, we were clear what our key concerns are with the draft proposals and what we believe Ofgem should change for Final Determinations.

- Correct errors in modelled allowances
- Reinstate critical, justified network investment
- Remove excessive efficiency cuts and unwarranted Business Plan Incentive penalty
- Enable delivery of Net Zero through agile uncertainty mechanisms
- Provide a fair return for this investment

I committed us to clearly setting out the reason, evidence and remedy and believe the documents provided today do just that. Our response is comprehensive and underpinned by substantive analysis. My team are committed to making themselves available to work with Ofgem and I have asked them to ensure we meet with your team and provide an overview of our response in the next two weeks.

I look forward to meeting again in mid-September and working constructively towards Final Determinations in December. If you want to discuss anything in this response ahead of that meeting, I would be happy to arrange a call.

Yours sincerely



Rob McDonald
Managing Director, SSEN Transmission