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| **Draft Determination Publication** | |
| **Network Queries** | |
| **Network Reference number** | SGN\_DDQ\_Q17 |
| **Licence** | SGN |
| **Topic/Activity:** | Ongoing Efficiencies |
| **Question:** | Relating to Draft Determinations - (10) OngoingEfficiency - Local tab N21:N23  Ofgem have identified an adjustment to the EU Klems figures of 0.2%, which appears to be to potential benefits associated with innovation funded for in GD1. Can you confirm how this figure was derived and the assessment that was undertaken of the different types of innovation that was undertaken (whether for safety, efficiency, environmental or energy system transition benefits). |
| **DDQ raised by** | Danny Symes |
| **Date query raised** | 23/07/2020 |
| **Expected response date** | 30/07/2020 |
| **Ofgem Response:**  The methodology for how this figure was derived is set out in the paper ‘RIIO-GD2 and T2: Cost Assessment – Frontier shift methodology paper (May 2020)’, which can be found in our Technical Annexes – 2 section of our Draft Determinations. Please see section titled ‘Impact of innovation funding on ongoing efficiency assumption’ on pp. 23 – 26. | |
| **Attachments:** | |