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Dear Jonathan,

### **Ofgem's 2021/22 work plan**

It has been a pleasure to work with you and your wider leadership team over the last year. Your focus on driving forward the net zero transition is welcomed by all us at OVO and I personally very much support the strategic direction you are setting for Ofgem's programme of work for the year ahead. I look forward to advocating for it publicly as we work to accelerate our own net zero plans as a company.

To that end, I wanted to write a short note fully endorsing the clear priority you have attached to accelerating the development of an energy system that is fit for a net zero future through Ofgem's 2021/22 Forward Work Programme. If we are to maintain the UK's position as a leader, we will need to widen out the scope of our decarbonisation agenda, looking beyond power and focusing on how we decarbonise harder to reach areas, like domestic heating. Your Forward Work Programme clearly acknowledges this and offers a more exciting vision of what needs to be done over the coming decade to accelerate climate action.

I was particularly pleased to see that you are planning to prioritise the development of full chain flexibility this year. I believe exploiting the potential of all forms of flexibility, including at a domestic level, is the only way that we can deliver net zero while ensuring everyone benefits directly from the transition. I know that you are determined to work with the industry to address regulatory barriers, and know our respective teams are already liaising closely to accelerate the development of new markets in the years ahead.

Finally, your commitment to consider the future of the retail market through the lens of net zero is also very encouraging. Like you, I believe this is critical for designing a market structure that ensures no consumer is left behind through the energy transition by allowing them to see the value of making the switch to low-carbon technologies over the coming decade. We look forward to supporting Ofgem in its emerging thinking in this area and address the complexities that the current market structure creates.





We very much look forward to working with you over the coming year as we look to make rapid progress on modernising the energy sector ahead of COP26 and beyond.

With best wishes,

Adrian

A handwritten signature in black ink that reads 'adrian letts' in a cursive, lowercase style.

**Adrian Letts**  
CEO of Retail and Board Member, OVO