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Dear Thomas,

Consultation on National Grid Electricity Transmission plc's Opening Asset Value for the England-Scotland Interconnector project

This letter is on behalf of National Grid Electricity Transmission plc (NGET), which owns and operates the electricity transmission system in England and Wales, and provides NGET's formal response to Ofgem's consultation letter dated 20 October 2015.

We welcome Ofgem's view that the required boundary transfer capability has been delivered and that NGET delivered the output measures set out in 2010/11. We also acknowledge that Ofgem's review of the costs incurred by NGET found that the final figure for project works, of £122.160m, was justified and that there was no significant and material change in the value or scope of the work delivered.

In specific response to the two questions posed in the consultation:

1. We agree that the OAV for the 5 year post-construction period should equal the amount specified in the TIRG condition in NGET's licence for the England-Scotland Interconnector, £105.983 million; and
2. We agree that the post-construction period should start in 2011-12.

This response is not confidential.

Yours Sincerely,



Richard Court