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26th April 2016

Dear Ian,

**Consultation on Policy for Funding Network Operators Pension Scheme Deficits**

Thank you for the opportunity to comment on the above consultation.

We can confirm that we are supportive of your aims to underline Ofgem's commitment to the consumer funding of pension scheme established deficits and to encourage network operators to pursue consumer focused strategies to manage their pension commitments. This has always been NGN's approach.

There will always be inherent challenges and tensions given the objectives of the different parties involved so a rounded judgement will be required when assessing the role the network operator has taken during the triennial valuations.

We are supportive of the changes you are proposing to the statement of guidance to the pension principles, the financial handbook and the reasonableness review and have no further comments on these.

If you wish to discuss any aspect of our response please do not hesitate to contact me.

Yours sincerely,



**Stephen Parker**  
**Regulation Director**

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