

Ian Rowson
RIIO Finance
9 Millbank
London
SW1P 3GE

Wales & West House
Spoooner Close
Celtic Springs
Coedkernew
Newport NP10 8FZ

Tŷ Wales & West
Spoooner Close
Celtic Springs
Coedcernyw
Casnewydd NP10 8FZ

Telephone/Ffôn: **0800 912 29 99**
Fax/Ffacs: **0870 1450076**
Email/Ebost: enquiries@wwutilities.co.uk
www.wwutilities.co.uk

27th April 2016

Second Consultation on Ofgem's Policy for Funding Network Operators' Pension Scheme Established Deficits

Dear Ian,

Wales & West Utilities is a licensed Gas Distribution Network (GDN) providing gas transportation services for all major shippers in the UK. We cover 1/6th of the UK land mass and transport gas to over 2.5 million supply points.

We would like to thank Ofgem for the opportunity to comment throughout this process, in an area which can have far reaching consequences to the consumer, the networks and the schemes own pensioners. Throughout the process we also value the commitment to listen to various stakeholders and engage with the Pensions Regulator (tPR). We are pleased to see the acknowledgment of the differing needs of Ofgem in its role to protect consumers and tPR in its role to protect pension members arising from these engagements. Equally the identification of how these competing needs can best be managed for the betterment of both groups for example through the increased clarity provided on the strength of the covenant afforded by the Licence.

Whilst we have no further views on the matters set out over those that we raised in response to the first consultation, we do note that there are a number of complex formula, such as that in para 3.37. Should these formulae not achieve the outcome outlined in the supporting narrative, it is our belief that the narrative takes precedence and the formula should be updated accordingly. By making this assertion Ofgem may prevent any confusion should formulae weaknesses be identified under operational use and any consequential conflict with the supporting narrative this may provide.

Should you require any further information please contact



Steven Edwards
Director of Regulation and Commercial
02920 278836
07976 727786
Steven.J.Edwards@wwutilities.co.uk

Smell gas? Call us!
Arogli nwy? Ffoniwch ni!

0800 111 999

All calls will be recorded and may be monitored
Bydd yr holl alwadau'n cael eu cofnodi ac
fe allant gael eu monitro



Wales & West Utilities Limited
Registered Office:
Wales & West House, Spoooner Close, Celtic Springs,
Coedkernew, Newport NP10 8FZ
Registered in England and Wales number 5046791