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Dear Matthew,

National Grid welcomes the opportunity to respond to Ofgem's consultation on modifications to the RIIO-ET1 and RIIO-GT1 PCFMs to incorporate the MPR. This response is on behalf of National Grid Electricity Transmission (NGET) and National Grid Gas (NGG).

Question 1 : Do you agree that the proposed modifications to the RIIO-ET1 PCFM appropriately incorporate the MPR decision?

We agree that the proposed modifications to the RIIO-ET1 PCFM appropriately reflect the MPR decision.

Question 2 : Do you agree that the proposed modifications to the RIIO-GT1 PCFM appropriately incorporate the MPR decision?

We agree that the proposed modifications to the RIIO-GT1 PCFM appropriately reflect the MPR decision.

Following discussion we understand that the final decision will amend paragraph 2.21 to reflect the fact that Avonmouth allowances will be reduced to the amount spent.

Should you have any queries regarding this response, please contact myself or Lynette Norton at Lynette.Norton@nationalgrid.com.

Yours sincerely,



Richard Allman