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Our ref

Your ref

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Date

August 29<sup>th</sup> 2017

Dear Steve,

## **Potential RIIO-ED1 mid-period review – timetable and next steps: A call for evidence**

I am writing on behalf of Western Power Distribution (South Wales) plc, Western Power Distribution (South West) plc, Western Power Distribution (East Midlands) plc and Western Power Distribution (West Midlands) plc in relation to the above letter. Our response is not confidential and can be published on the Ofgem website.

WPD welcome the early consultation by Ofgem on the potential ED1 mid-period review and the open and transparent process being conducted to inform stakeholder input into the decision. Consequently, we support Ofgem's proposed timetable and the three stage process outlined in the letter.

WPD have not identified any issues that should be considered as part of a potential mid-period review. This is because we can demonstrate RIIO-ED1 is delivering outputs that our stakeholders require, and because there has been no change in government policy that would warrant a mid-period review. Whilst there are a few areas of development within RIIO-ED1, these are being adequately dealt with within the existing price control settlement and framework.

It is important that the key principles of the eight year nature of RIIO-ED1 are maintained in any consideration of a mid-period review and that the networks are incentivised to continue to deliver the right outcomes for customers. There should be a strong hurdle of materiality for considering a review the RIIO-ED1 framework and the risk of introducing uncertainty which might undermine long term value for consumers should be taken into account.

Should you wish to discuss any aspects of this response please contact me on the above direct dial number or via email [asleightholm@westernpower.co.uk](mailto:asleightholm@westernpower.co.uk)

Yours sincerely

Alison Sleightholm  
Regulation & Government Affairs Manager