ofgem Making a positive difference for energy consumers

RIIO-ED2 Final Determinations Investor Call

14:00-15:30 – London time (GMT)

30th November 2022

OFG1161

Order of proceedings

- Welcome and Introduction – Akshay Kaul – Interim Director of Infrastructure & Security of Supply
- Context and Headlines – Akshay Kaul
- RIIO-ED2 Final Determinations Overview – Steven McMahon, Deputy Director for Price Control Setting
- Finance Overview – Peter Bingham, Director for Analysis & Assurance Directorate
- Q&A – Akshay Kaul to chair
- Timeline and next steps/Close – Akshay Kaul

Akshay Kaul
Interim Director of Infrastructure & Security of Supply

- Today we have published our **Final Determinations (FDs) for the next electricity distribution** price control (known as RIIO-ED2).

- Covers **5-year spending plans** to March 2028 for the 14 GB Distribution Network Licensees.

- Our objective is to ensure the networks **deliver the infrastructure needed for net zero** but to **protect energy consumers** by ensuring this is done at lowest cost.

- The RIIO-ED2 period begins on 1 April 2023. Any appeals to the CMA must be lodged by 3rd March 2023. After hearings, the CMA would provide its final determination towards the end of 2023.

ofgem Making a positive difference for energy consumers

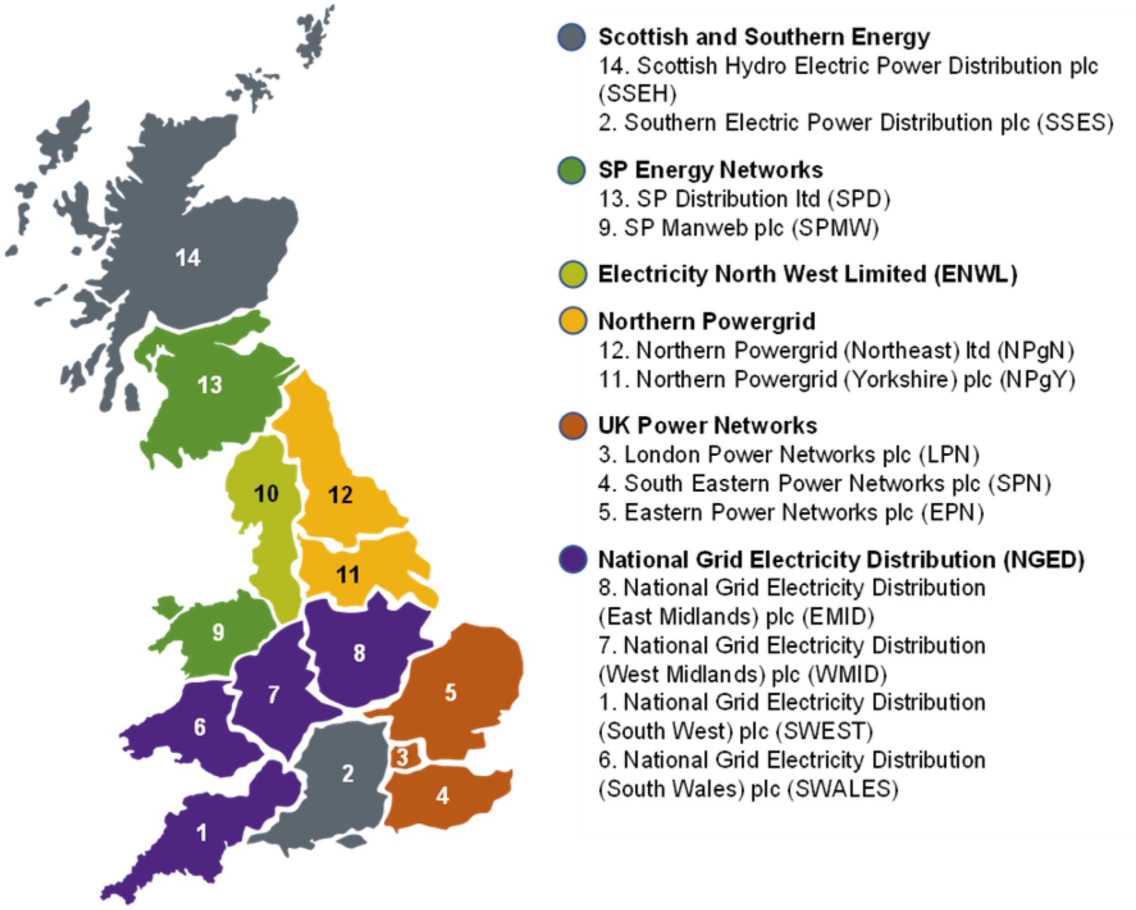
- RIIO-ED2 will help deliver a sustainable energy future at no additional cost for consumers.
- Electricity distribution networks need to fundamentally change to meet the needs of a net zero world.
- This settlement is a vital part of forging flexible, adaptable regulation to speed up the building of our network infrastructure and connect new local generation assets.
- ED2 also sets tough customer service targets and reliability - demanding even better performance from our DNOs.
- A price control is a balancing act – both protecting consumers, and ensuring that DNOs are planning ahead, investing wisely, and delivering value for money to deliver the future energy system.

Steven McMahon
Deputy Director, Onshore Networks, Price Control Setting

- Scope of the price control
- Reaching Final Determinations
- Regulatory challenge we face
- Supporting Net Zero
- Protecting the interests of the consumer
- Totex allowances
- The incentive package
- Managing uncertainty

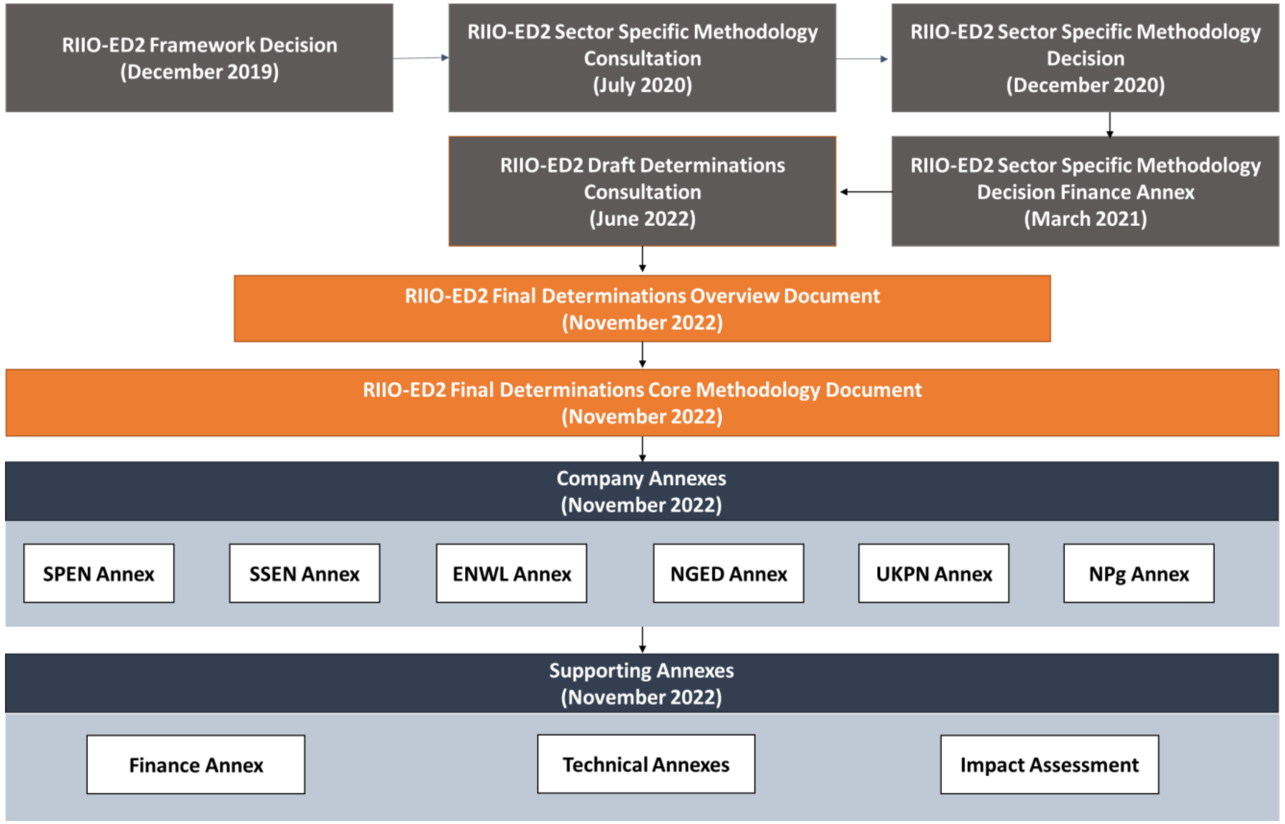
RIIO-ED2 FDs Overview

- RIIO-ED2 is a price control affecting the electricity distribution network.
- It will run from 1 April 2023 to 31 March 2028.
- It affects the allowances and returns of the 14 distribution network licence regions in GB.
- The 14 regions are owned by 6 different companies.
- The ED2 price control comes at a crucial juncture:
  - We need to transition away from expensive imported fossil fuels to greener, cheaper and most secure home-grown low carbon energy.
  - Expecting to see increased demand on the distribution networks as uptake of EVs, heat pumps and low carbon generation increases.
  - Cost of living crisis, including high energy prices, means there is a focus on controlling bill impacts and ensuring protection for the most vulnerable customers.
- We must ensure we adequately fund the transition to net zero while also ensuring we maintain a focus on ensuring lowest possible costs to consumers.



Final Determinations are the culmination of an extensive process

- Process began in August 2019 with an Open Letter consultation on the RIIO ED2 Framework
- Since then, our decisions have evolved over three stages of consultation
- We have carried out extensive stakeholder engagement including:
    - Working groups over multiple years across all the major thematic areas involving DNOs and other interested stakeholders
    - Open Hearings in March 2022 on each of the DNO's final business plans
    - We received around 150 responses to our consultation on our Draft Determinations over the summer
- This presentation provides a high level overview of our Final Determinations with fuller details available in our document suite online at:
    - [RIIO-ED2 Final Determinations | Ofgem]



Significant investment to upgrade electricity grids to deliver net zero, **handling millions of electric vehicles and heat pumps this coming decade.**

Maximising the full potential of existing networks through flexibility and other smart resources and investment in data and digital capabilities.

Combination of licence obligations and incentives to **drive quality of service improvements** in areas that matter to consumers.

Improved services for vulnerable and fuel poor, ensuring everyone can **access benefits of getting to net zero.**

By pushing for efficiencies and reducing the cost of equity, the increased investment can be accommodated **without an increase in network charges on bills.**

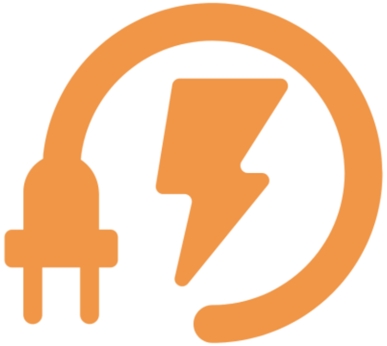
Preparing the networks to deliver net zero

- Investment of £3.1bn in network upgrades to support the rollout of EVs, heat pumps and the connection of more local, low carbon generation including solar and wind
- An agile package of uncertainty mechanisms (UM) that will allow investment to adapt quicky to support higher volumes of low carbon technologies if networks are faced with sharper uptakes in demand for new connections
- Obligations and funding to ensure all DNOs undertake activities to decarbonise the electricity distribution networks and to reduce the wider impact of network activity on the environment

Supporting a smarter, more flexible energy system

- A new framework of outputs and incentives for Distribution System Operation (DSO) with clearer executive level accountability for neutral decision-making between DSO and DNO business activities
- A new DSO financial output delivery incentive (ODI-F) to drive DNOs to more efficiently develop and use their network, including considering flexible and smart alternatives to defer the need for reinforcement and ultimately reduce customer bills
- Funding to improve the DNOs’ monitoring of their networks, including through the installation of network monitoring equipment and through improved use of data analytics
- A new licence obligation (LO) which requires DNOs to enable system optimisation through collaborating with stakeholders and creating a forward-looking, open and interoperable, digital network mapping platform

Maintaining world class levels of reliability and customer service and speedy connections of low carbon technologies



- Strong package of financial and reputational incentives to drive behavioural changes across the areas that matter to consumers, with stretching targets for any reward and the opportunity to apply penalties for poor performance
- Strengthening existing incentives in key customer priority areas, including reliability, customer service, and improvements in the time it takes to connect minor connection customers to the network
- Introducing new incentives which aim to protect vulnerable consumers through the cost-of living crisis, improve service delivery for major connections customers and help unlock the transition to a smarter, more flexible, lower cost and lower carbon energy system
- An initial funding package of £5.7bn to ensure that key network assets are maintained, repaired, and replaced, with further funding to ensure that the networks remain resilient, including in relation to severe weather

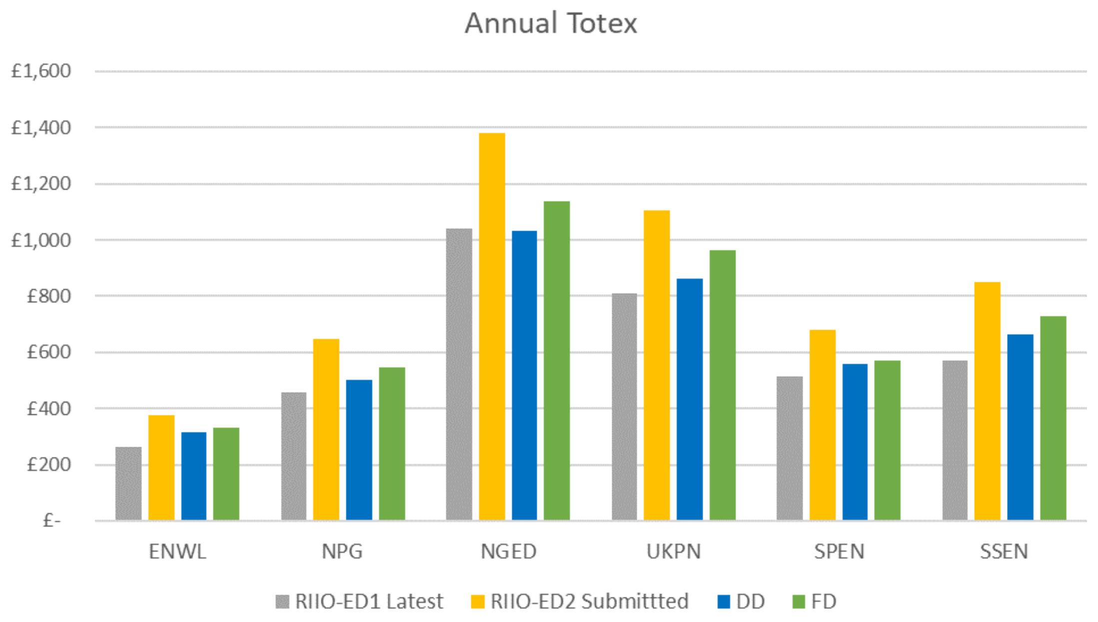
Ensuring that no one is left behind in the energy transition

- Funding to support the delivery of vulnerability strategies across all DNOs, including support during power interruptions, the delivery of advice and services relating to fuel poverty, and targeted support to overcome barriers related to low carbon technologies
- Introduction of a new consumer vulnerability incentive framework with stretching targets and common metrics to drive further improvements in services, including to Priority Services Register (PSR) customers

Ex Ante Totex Allowances

- In our Final Determinations, we have set DNOs' ex ante allowances at £22.2bn, which represents a 17% increase on the latest RIIO-ED1 expenditure.

- Our Final Determinations ex ante allowances have increased by £1.3bn on what we proposed at Draft Determinations. The changes were primarily driven by:
  - Improvements to our overall modelling suite.
  - A reduction in the ongoing efficiency challenge from 1.2% pa to 1% pa.
  - Revisions to our engineering assessments, which have increased accepted volumes of work.



DNO	Submitted Totex[1]	DD Allowed Totex[2]	FD Allowed Totex[2]	FD vs. Submitted	Difference (%)
ENWL	1,890	1,640	1,720	-170	-9.0%
NPGN	1,394	1,129	1,188	-206	-14.8%
NPGY	1,838	1,521	1,604	-234	-12.8%
WMID	1,934	1,588	1,674	-260	-13.4%
EMID	2,058	1,697	1,839	-219	-10.7%
SWALES	1,143	953	1,018	-125	-10.9%
SWEST	1,758	1,343	1,446	-312	-17.7%
LPN	1,499	1,323	1,416	-83	-5.5%
SPN	1,554	1,394	1,478	-76	-4.9%
EPN	2,470	2,137	2,285	-185	-7.5%
SPD	1,676	1,451	1,474	-202	-12.1%
SPMW	1,721	1,477	1,477	-244	-14.2%
SSEH	1,406	1,087	1,218	-188	-13.4%
SSES	2,835	2,199	2,371	-464	-16.4%
Total	**25,176**	**20,939**	**22,207**	**-2,969**	**-11.8%**

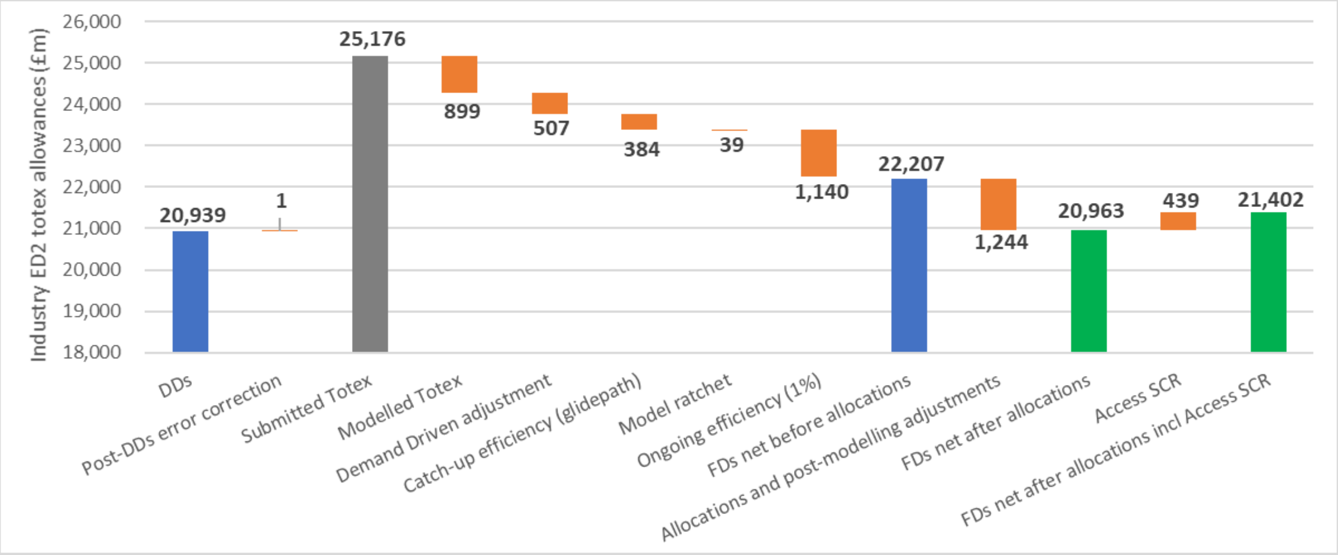
DNO Group	Submitted Totex[1]	DD Allowed Totex[2]	FD Allowed Totex[2]	FD vs. Submitted	Difference (%)
ENWL	1,890	1,640	1,720	-170	-9.0%
NPG	3,232	2,650	2,791	-441	-13.6%
NGED	6,893	5,581	5,977	-916	-13.3%
UKPN	5,523	4,853	5,179	-344	-6.2%
SPEN	3,397	2,928	2,950	-447	-13.1%
SSEN	4,241	3,287	3,589	-652	-15.4%
Total	**25,176**	**20,939**	**22,207**	**-2,969**	**-11.8%**

1. Submitted totex is net costs, including our cost exclusions and reallocations and excluding RPEs, ongoing efficiency, non-controllable costs, and pass-through costs.
2. Allowed Totex is net costs, before non-price control allocations, before post-modelling adjustments for UMs, and excluding RPEs, non-controllable costs, pass-through costs, but including our view of ongoing efficiency.

Determining Efficient Allowances

Our assessment of DNOs' submitted costs involves a series of common steps:

1. Normalisations and adjustments to enable comparable benchmarking.
2. Cost benchmarking to produce Ofgem modelled totex.
3. Demand driven adjustment to account for the impact of different demand scenarios in DNOs' submitted plans.
4. Application of catch-up efficiency (75th to 85th percentile) and, where applicable, a ratchet (where submitted costs are lower than modelled costs), to produce Ofgem modelled efficient totex.
5. Application of ongoing efficiency target of 1% pa.
6. Adjustment for non-price control allocations and post-modelling adjustments to produce net after allocations allowed totex.
7. Provision of funding for implementation of GEMA's decision on the Access and Forward-Looking Charges Significant Code Review (Access SCR) in May 2022.



1. Post-modelling adjustments for reversing of ongoing efficiency for Worst Served Customers, and Visual Amenity, adding cyber resilience OT allowances and the Shetland Link RAV transfer, and deducting related party margins, disposals, and other controllable opex.

DNO	FD Allowed Totex before adj.	Non-price control allocations and post-modelling adj.[1]	Access SCR	FD Allowed Totex after adj.
ENWL	1,720	-68	13	1,665
NPGN	1,188	-73	17	1,132
NPGY	1,604	-89	53	1,568
WMID	1,674	-125	37	1,585
EMID	1,839	-163	42	1,717
SWALES	1,018	-62	15	971
SWEST	1,446	-80	25	1,390
LPN	1,416	-169	25	1,273
SPN	1,478	-111	12	1,379
EPN	2,285	-239	114	2,160
SPD	1,474	-65	9	1,417
SPMW	1,477	-56	12	1,432
SSEH	1,218	182	17	1,418
SSES	2,371	-124	48	2,295
Total	**22,207**	**-1,244**	**439**	**21,402**

DNO	FD Allowed Totex before adj.	Non-price control allocations and post-modelling adj.[1]	Access SCR	FD Allowed Totex after adj.
ENWL	1,720	-68	13	1,665
NPG	2,791	-162	70	2,700
NGED	5,977	-430	119	5,663
UKPN	5,179	-519	151	4,812
SPEN	2,950	-121	21	2,849
SSEN	3,589	58	65	3,713
Total	**22,207**	**-1,244**	**439**	**21,402**

Totex Incentive Mechanism and Business Plan Incentive

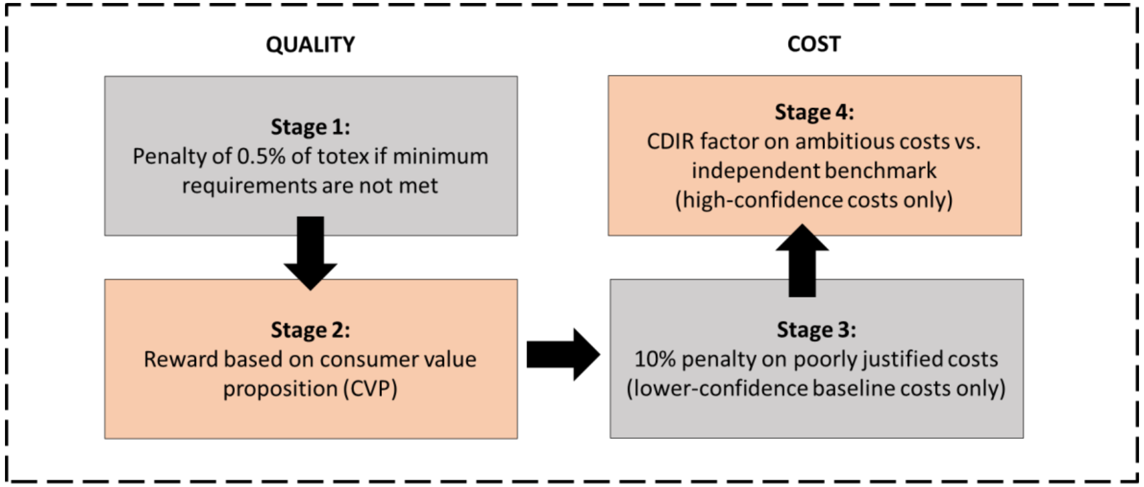
Totex Incentive Mechanism (TIM)

- Our cost assessment process enabled calculation of the TIM sharing factors for each DNO
- All DNOs receive a TIM sharing factor of between 49.3% - 50%

Business Plan Incentive (BPI)

- As per our Draft Determinations, all DNOs met the minimum requirements
- As per our Draft Determinations, we have rewarded three CVPs (two SSEN, one NGED)
- We have revised our Stage 3 and 4 assessments with no DNOs penalised on cost assessment in Stage 3 and UKPN have now received a Stage 4 reward

The Four Stages of the BPI Assessment



Net reward or penalty capped at 2% of allowed totex

Final TIM Incentive Rates for each DNO

DNO	Final Determination	Draft Determination
ENWL	49.4%	50.0%
NPg	49.9%	49.9%
NGED	50.0%	50.0%
UKPN	50.0%	50.0%
SPEN	49.9%	49.9%
SSEN	49.3%	49.2%

Final Outcome of the BPI Assessment

DNO	Stage 1	Stage 2 (£m)	Stage 3 (£m)	Stage 4 (£m)	Total Reward /Penalty (£m)
ENWL	Pass	0	0	0	0
NPg	Pass	0	0	0	0
NGED	Pass	4.6	0	0	4.6
UKPN	Pass	0	0	29.7	29.7
SPEN	Pass	0	0	0	0
SSEN	Pass	3.5	0	0	3.5

Common Output Delivery Incentive Package

- Same strong package of quality of service incentives as set out at Draft Determinations, but we have responded to feedback on the incentive package
- We are setting tougher targets for some DNOs on IIS but also strengthening the upside incentive from 1.0% RoRE to 1.5%
- We are doubling the upside on the DSO incentive from 0.2% to 0.4% RoRE to provide a stronger stimulus to maximise the opportunities that flex provides
- As a result, the overall incentive range for these common ODIs will be +2.65/-4.00% (compared to +1.95%/-4% at DDs)

ODI-F name	Purpose	New or existing ED1 incentive	Incentive Rate as % RoRE
Customer Satisfaction Survey	Encourage DNOs to improve the quality of customer service	Existing	+0.40% / -0.40%
Complaints Metric	Ensure good performance from DNOs when handling complaints	Existing	0% / -0.20%
Time to Connect	Incentivise DNOs to reduce the time it takes to connect minor connection customers to the network	Existing	+0.15% / -0.15%
Major Connections	Ensure DNOs provide quality service to major customers seeking to connect to the network	New	0% / -0.35%
Interruptions Incentive Scheme (IIS)	Incentivise DNOs to improve network reliability and reduce outages	Existing	+1.50% / -2.50%
Vulnerability	Incentivise the provision of appropriate support services to consumers in vulnerable situations	New	+0.20% / -0.20%
DSO	Drive DNOs to more efficiently develop and use their networks, considering flexible and smart alternatives to network reinforcement	New	+0.40% / -0.20%

- Significant uncertainty ahead, particularly around the speed of transition to net zero and the associated investment required.

- Key additions to our UM toolkit in RIIO-ED2:
  - Suite of UMs to support additional in-period investment including an automatic volume driver for secondary reinforcement and unlooping services, both key to EV and heat pump uptake, and a reopener for primary reinforcement.
  - A Net Zero re-opener to adapt to major changes in government policy.
  - A Storm Arwen re-opener to adapt allowances should the reviews following on from our report necessitate it.
  - Re-openers to adapt to new requirements on digitalisation or should new recommendations emerge on DSO governance during the price control.

- Since Draft Determinations, we have also introduced a re-opener for Wayleaves and Diversions, and an indirects scaler volume driver to cover indirect costs associated with the load related expenditure uncertainty mechanisms.

- Altogether, we have included 37 common uncertainty mechanisms (UMs), of which 21 are automatic (volume drivers, use-it-or-lose-it allowances, pass-throughs and indexation) and 16 are re-openers. Many of these common UMs have been carried over from RIIO-ED1.

- There are also 7 bespoke mechanisms affecting ENWL, SPEN and SSEN.

Peter Bingham
Director Analysis & Assurance

- Context of the Finance Package
- Cost of Equity
- Cost of Debt
- Weighted Average Cost of Capital
- Capitalisation Rates
- Other Financial Parameters
- Return on Regulated Equity & Return Adjustment Mechanisms
- Financeability

A consistent approach to risk and return...

Overall **approach to risk / return is consistent** with Framework Decision (2019), Sector Specific Methodology Consultation (2020), and Sector Specific Methodology Decision (2021) and Draft Determinations (June 2022).

Responds to points and new evidence from consultation. Applies **RIIO-2 Gas Distribution and Transmission learnings** where relevant – including the **outcome of CMA appeals**.

Considers **specific circumstances of Electricity Distribution sector** and updates evidence base with latest information.

Takes into account **current macroeconomic environment** – separate engagement on **inflation** in early 2023.

Cost of Equity Allowances

- Baseline **5.23% cost of equity allowance** (CPIH real, 60% notional gearing).
- 3 step methodology – consistent with RIIO-GD&T2.
  - Step 1 CAPM
  - Step 2 Cross-checks
  - Step 3 Allowed v Expected Return
- Cost of Debt and Cost of Equity will be indexed during RIIO-ED2.
- Change in Cost of Equity v Draft Determinations is entirely due to change in Risk-Free Rate.

Comparison to RIIO-GD&T2 and DDs

	GD&T2 FDs	ED2 DDs	ED2 FDs
RFR	-1.58%	-0.74%	**1.23%**
TMR	6.5%	6.5%	6.5%
Equity beta	0.759	0.759	0.759
CoE	4.55%	4.75%	**5.23%**

RIIO-ED2 FDs Finance Annex, Chapter 3. RIIO-GD&T2 FDs Chapter 4.

Comparison to RIIO-ED1

	ED1 (RPI)	ED2 FDs (CPIH)
NGED (was WPD)	6.4%	**5.23%**
Others	6.0%	**5.23%**

RIIO-ED2 FDs Finance Annex, Chapter 3.

Cost of Debt Allowances

Parameter	ED2 DDs	ED2 FDs
Cost of Debt Allowance / frequent issuers	2.26%	3.01%
Cost of Debt Allowance / infrequent issuers	2.32%	3.07%
Index Selection	17-year trailing average of the iBoxx 10yr+ Utilities index	17-year trailing average of the iBoxx 10yr+ Utilities index
Additional cost of borrowing	25bps	25bps
Calibration adjustment	NA	55bps
Infrequent issuer premium	6bps	6bps

- Consistent with DDs, we have decided to continue with full indexation of allowed return on debt - value of the index will be updated at the end of October every year.
- We have made a **55bps calibration adjustment** for FDs.
- At DDs we applied an issuance threshold of £150m but for FDs **we use a larger threshold of £250m per year**. This means that all licensees get the ‘infrequent issuer premium’ except for EMID (NGED licensee), EPN (UKPN) and SSES (SSED).

WACC calculation

- Change in WACC v DDs is driven by
  - Risk-Free Rate for Cost of Equity.
  - Change in Cost of Debt.
  - Adjustment is made for infrequent issuer premium in Cost of Debt.
- Reduction in notional gearing from ED1.
- For GD&T2 companies WACC is also indexed annually.

	ED2	DDs	ED2	FDs
	Frequent issuer	Infrequent issuer	Frequent issuer	Infrequent issuer
Debt	2.26%	2.32%	**3.01%**	**3.07%**
Equity	4.75%	4.75%	**5.23%**	**5.23%**
Gearing	60%	60%	60%	60%
WACC	3.26%	3.29%	**3.90%**	**3.93%**

RIIO-ED2 FDs Finance Annex, Chapter 4.

Cap Rate

- Key principles of the Draft Determination approach remain unchanged. We are seeking to reflect natural capitalisation rates.
- Two distinct rates applying to two buckets.
- Bucket 1 – Baseline expenditure
  - Final company-specific natural capitalisation rates between 65% and 79%.
- Bucket 2 - Covers uncertainty mechanism reopeners
  - Final sector wide 85% capitalisation rate revised from 98%.
  - Set this having considered the evidence from the DNOs.

Licensee	Bucket 1 rate	Bucket 2 rate
ENWL	68%	85%
NPgN	73%	85%
NPgY	75%	85%
WMId	77%	85%
EMId	78%	85%
SWales	78%	85%
SWest	79%	85%
LPN	67%	85%
SPN	68%	85%
EPN	68%	85%
SPD	70%	85%
SPMW	70%	85%
SSEH	66%	85%
SSES	65%	85%

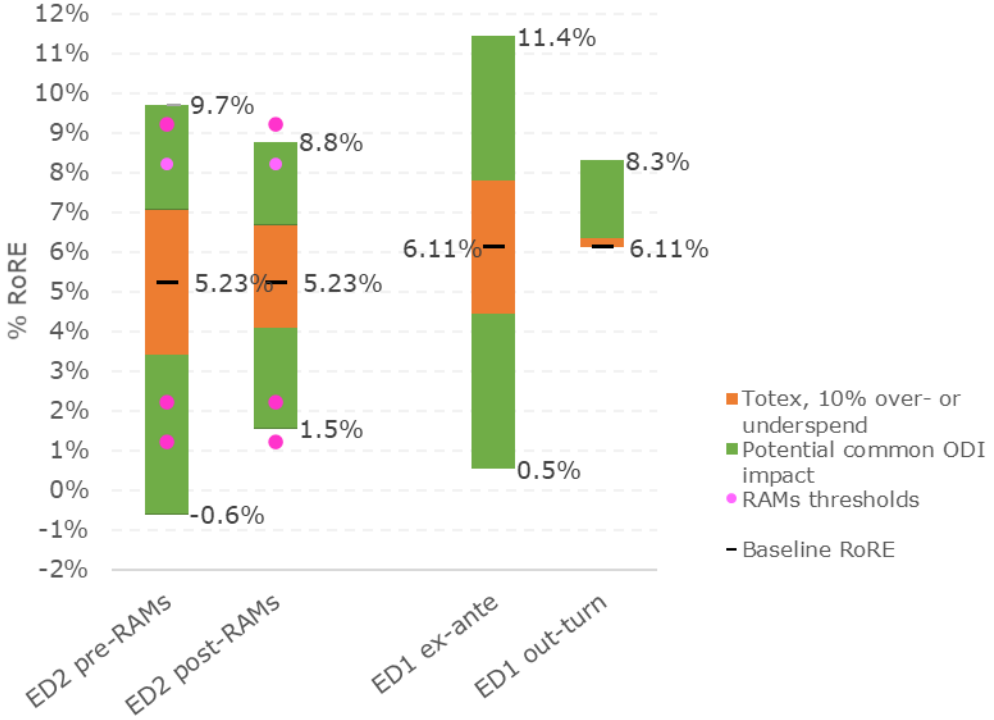
RIIO-ED2 FDs Finance Annex, Chapter 10, Table 19.

Other Financial Parameters

- **Depreciation**: 45-year straight line, taking into account asset lives.
- **Notional gearing**: Reduction of 5% from 65% (RIIO-ED1) to 60% (RIIO-ED2).

Return on Regulated Equity (RoRE)

- Price control provides opportunity for outperformance and incentivises outcomes and cost efficiency.
- In our judgement, we do not expect RAMs to be triggered.



RIIO-ED2 FDs Finance Annex, Chapter 8.

Return Adjustment Mechanisms (RAMs)

- Sculpted sharing mechanism designed to ensure that the price control does not get out of balance for either investors or consumers.
- 50% sharing at +/- 300bps RoRE
- 90% sharing at +/- 400bps RoRE

Approach to Financeability

- Consistent with our DD approach (and our approach in the GD&T2 determinations).

- Ofgem does not target any particular credit rating or credit ratio for notional companies.

- For financeability testing purposes we have tested different outturn totex scenarios including
  - Baseline case scenario: which uses our FD baseline totex allowances and other baseline modelling assumptions.
  - Higher case totex scenario: which assumes additional totex is allowed through Uncertainty Mechanisms.

- Based on our 60% notional gearing assumption and decisions on capitalisation and depreciation rates, we consider our FDs to be financeable.

Akshay Kaul to chair

- To ask a question, please use the hand raise function.
- If you are joining via phone, please type *5 on your keypad to raise your hand.
- When it is your turn, your microphone will be activated. You will need to unmute yourself.
- Please type *6 on your keypad to unmute yourself.
- Before asking question, please say your name and your institution.

RIIO-ED2

- Final Determinations published 30th November 2022.
- Licence consultation published on 14th December 2022.
- Licence modifications published on 3rd February 2023.
- Appeals window opens 3rd February and closes 3rd March 2023.
- RIIO-ED2 starts on the 1st April 2023.

i. Financeability totex cases

	Base Case	Totex	High Case	Totex
Licensee	*Adjusted AICR*	*FFO / net debt*	*Adjusted AICR*	*FFO / net debt*
ENWL	1.31	11.8%	1.30	11.6%
NPgN	1.39	12.6%	1.39	12.4%
NPgY	1.37	11.9%	1.37	11.7%
WMID	1.42	13.1%	1.40	12.7%
EMID	1.40	12.5%	1.39	12.1%
SWALES	1.35	11.1%	1.34	10.9%
SWEST	1.38	11.1%	1.37	10.8%
LPN	1.41	13.3%	1.40	13.0%
SPN	1.40	13.5%	1.40	13.3%
EPN	1.40	13.2%	1.39	13.0%
SPD	1.41	13.3%	1.39	12.9%
SPMW	1.41	12.8%	1.40	12.5%
SSEH	1.37	11.3%	1.33	10.3%
SSES	1.36	11.8%	1.34	11.3%

RIIO-ED2 FDs Finance Annex, Chapter 5, Tables 15 – 16.

ii. Totex reconciliation (£millions)

Network	FD Allowed totex	Post-modelling adjustments	Total Proposed Totex excl RPEs	NPCA & other adj. for PCFM totex	PCFM totex excl Access & RPEs	Access SCR funding	RPEs	PCFM totex	PCFM totex: Non-Variant	PCFM totex: Variant	PCFM: fast money	PCFM: RAV additions
	A	B	C=A+B	D	E=C+D	F	G	H=E+F+G	I	J	K	L
ENWL	1,720	3	1,724	-72	1,652	13	74	1,740	1,259	480	541	1,198
NPgN	1,188	3	1,190	-75	1,115	17	52	1,184	884	300	307	877
NPgY	1,604	3	1,606	-92	1,515	53	71	1,639	1,215	424	391	1,248
WMID	1,674	5	1,679	-131	1,549	37	71	1,656	1,268	388	373	1,283
EMID	1,839	6	1,844	-169	1,676	42	76	1,794	1,400	394	389	1,405
SWALES	1,018	3	1,021	-65	956	15	44	1,014	775	240	220	795
SWEST	1,446	5	1,451	-85	1,366	25	62	1,453	1,081	372	301	1,151
LPN	1,416	4	1,421	-173	1,248	25	56	1,329	1,051	278	431	898
SPN	1,478	5	1,483	-117	1,366	12	62	1,440	1,099	341	453	988
EPN	2,285	8	2,293	-247	2,046	114	95	2,256	1,763	493	708	1,547
SPD	1,474	5	1,478	-70	1,408	9	64	1,481	1,162	319	429	1,052
SPMW	1,477	5	1,482	-61	1,420	12	64	1,496	1,132	364	437	1,059
SSEH	1,218	247	1,465	-65	1,400	17	52	1,469	1,002	467	447	1,022
SSES	2,371	5	2,376	-129	2,246	48	103	2,398	1,985	412	822	1,575
Total	**22,207**	**307**	**22,514**	**-1,551**	**20,963**	**439**	**946**	**22,348**	**17,076**	**5,271**	**6,250**	**16,098**

Further information

https://www.ofgem.gov.uk/about-us/contact-us/investor-relations

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ofgem Making a positive difference for energy consumers

Ofgem is the Office of Gas and Electricity Markets. We are a non-ministerial government department and an independent National Regulatory Authority, recognised by EU Directives. Our role is to protect consumers now and in the future by working to deliver a greener, fairer energy system.

We do this by:

- working with Government, industry and consumer groups to deliver a net zero economy at the lowest cost to consumers.
- stamping out sharp and bad practice, ensuring fair treatment for all consumers, especially the vulnerable.
- enabling competition and innovation, which drives down prices and results in new products and services for consumers.

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