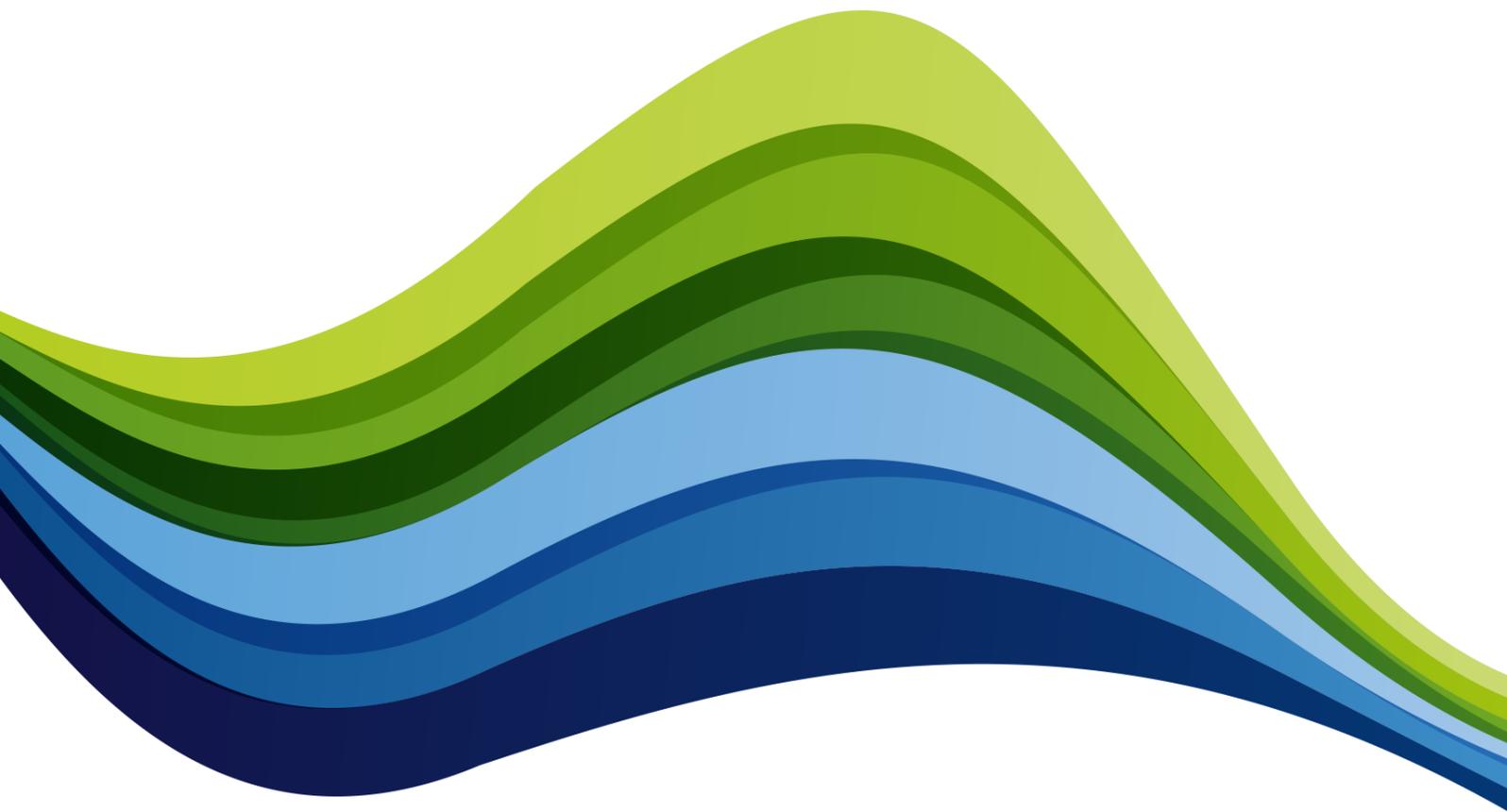

UR DRAFT CORPORATE STRATEGY



Introduction

SSE welcomes the opportunity to respond to UR's Draft Corporate Strategy for the forthcoming period 2019-2024. We note that this consultation has interactions with the UR's Draft Forward Work Programme (DWFP). We provide comments below regarding the Corporate Strategy in isolation. However, as part of the DWFP response, we will refer to the Corporate Strategy, since this sits above the work priorities identified in the DWFP.

Our response

We welcome the intention for the UR to continue their work to promote advances in networks and continued focus on moving to a low carbon future. We also appreciate their statutory focus in ensuring efficient competition in the markets, for the protection of customers.

Our main comment in regard to this consultation, is in relation to Objective 1:

"Promoting markets that deliver effective competition, informed choice and fair outcomes"

The key outcomes and measures within this, include both customer outcomes, and market outcomes to further competition. However, we have entered a new market, which needs a high degree of focus in relation to bedding down of practices and processes, assessment of market design after a specific period and continued monitoring and remedy for current system issues.

Separately, the UR has initiatives in Energy Theft, vulnerability and Consumer Protection creating a clear direction on customers. This will place increased focus and complexity in this area of customer protection and efficient customer prices (through reducing energy theft). This work is itself equally as critical to the delivery of an energy market that provides value to the customer.

Both of these areas: the new market and enhanced customer protection, demand a high degree of attention. Therefore, we think that one objective seeking to encompass both, will lead to confusion and the potential to undermine certain outcomes at the expense of others.

We would recommend a separate objective demonstrating and publicising the UR's focus in relation to customer protection, vulnerability and energy theft. This will chime well with the intended wide-ranging and beneficial impact that the UR hopes will be delivered by these initiatives. Objective 1, can then be focussed on efficient and competitive market outcomes alongside tracking the progress in the new market and cooperation with the CRU through the SEMC.