

## SSEN Distribution Response to RIIO ED2 - Draft Determination`

### SSEN Annex, 5. Innovation

<b>Question ID</b>	SSEN-Q11.
<b>Question</b>	What are your views on the level of proposed NIA funding for SSEN?
<b>Response</b>	
<p>We believe that the levels of funding are appropriate for the first three years and will allow SSEN to meet the innovation-related commitments it has made to its stakeholders for that period (see our response to CORE-Q9).</p> <p>However, we strongly believe that a similar level of funding is required in years 4 and 5 to meet the continued needs and aspirations of our stakeholders in relation to consumer vulnerability and the net zero transition.</p> <p>We also believe that uncertainty beyond year 3 has the potential to undermine trust and damage the momentum of our engagement with stakeholders and in particular the innovation community resulting in a dilution of the benefits that can be achieved during ED2. As a result, we would welcome Ofgem’s committing to the purpose and level of funding in year 4/5 with an option for review of the exact nature of the governance that surrounds that funding in parallel with other sector price reviews.</p>	