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28 October 2005

JUDICIAL REVIEW ON TRANSMISSION CHARGES

Ofgem welcomes Judge's ruling

The High Court today (Friday) dismissed on all counts Scottish Power's legal challenge to Ofgem's decision to approve National Grid's new charging arrangements for the high-voltage transmission network.

The charging arrangements needed to recover the £1.7 billion cost of running Britain's transmission network had been approved by Ofgem's governing Authority following extensive separate consultation by both National Grid and Ofgem.

Ofgem Chairman, Sir John Mogg, said: "We are of course pleased that the Court has upheld the Authority's decision on every count and believe our decision is the right one for customers."

"In Scotland these new charges have already helped reduce the impact of recent electricity price rises for both domestic and business customers. And the impact of the new charges on Scottish generation, including renewables, is broadly neutral."

Notes to editors

1. The new GB-wide electricity market which began in April 2005 and allows Scottish generators easy access to the larger demand for electricity in England and Wales. This is particularly important in Scotland where there is already surplus capacity and plans are in the pipeline to more than double the amount of renewable generation.
2. ScottishPower sought a Judicial Review of Ofgem's Authority's decision in February this year to approve National Grid's charging arrangements for the charges for the high-voltage transmission network which came into force when the GB-wide market was created. The Authority's decision requires National Grid to monitor and review certain aspects of the charging regime throughout the first two years that it operates and refine them if necessary.
3. A factsheet "British electricity transmission networks-future charging" is available from the Press Office section of the Ofgem website (www.ofgem.gov.uk).

For further press information contact: Mark Wiltsher: 020 7901 7006 Chris Lock: 020 7901 7225 Out of hours contact: 07774 72 8971/07766 511470