

Consultation response to **“Ofgem Consultation on Access and Forward-looking Charges Significant Code Review**: from Richard Jenkins. Savigarth, Evie, Orkney. KW172PQ.

24th August 2021.

By e-mail to FutureChargingandAccess@ofgem.gov.uk

Relevant Skills & Experience:

I am a sheep farmer from Orkney, a three-times Conservative & Unionist Party Candidate in Parliamentary Elections for constituencies in the north of Scotland (1987 Orkney & Shetland, 1998 Caithness, Sutherland & Easter Ross, and 2001 Inverness east, Nairn & Lochaber), and a wind-farm developer and consultant (Chairman Hammars Hill Energy Ltd 2005-2014, Chairman Northwind Associates Ltd 2007-2021).

Transmission Charging:

Since 2006 I have had occasion to participate in endless discussions and consultations with SSE and Ofgem personnel around first, the Orkney RPZ, and then the oft promised transmission grid connection between Orkney and the Scottish mainland. I regret to say that the quality of Ofgem's contribution to these discussions has diminished to a point at which it was hard to imagine scope for further deterioration, but, with this “minded-to” decision, Ofgem continues to surprise.

In the context of wider government policy proclaiming and resourcing a “levelling-up agenda”, emphasising at every turn the vital importance of the “Historic Union of England, Scotland, Wales & Northern Ireland”, and offering global leadership in advocacy of a “Net-Zero Agenda”, how is it possible that Ofgem should propose a radical alteration to Grid Access and Grid-use Charging Regimes which not only discriminates grossly against future renewable energy development but also discriminates retrospectively against historic developments, in Britain's most productive regions?

If I may offer a simple analogy, let us imagine that the Ministry for the Environment and Rural Affairs has appointed a “Regulator” with the remit to *“regulate British Agriculture in such a way as to protect the interests of the Consumer”* – and that this “Regulator”, in its wisdom, by means of a structure of “Codes” and “Zones”, then institutes a *“market access tariff”* such that the sheep farmers of the north of Scotland must pay a charge for the marketing of their product which not only covers the cost of delivering their own lambs to Smithfield, but also covers the cost of free delivery to Smithfield for French and Dutch sheep farmers' lambs, while offering the same benefit to southern English and Welsh sheep farmers with the addition of a nice little subsidy on top. How long would sheep-farming in the north of Scotland continue under such a regime? How long would the “Historic Union of England, Scotland, Wales & Northern Ireland” endure? Imagine what fun Conservative & Unionist Party candidates would have in north of Scotland constituencies as they tried to explain the wisdom of “protecting the interests of the Consumer” by these means, to electors who, paradoxically, enjoy the most expensive lamb in Britain.

If this analogy strikes you as being, in some way, a false one, please point out how this is so.

I am aware that the above analogy may seem to have introduced an element of humour into what is a very serious matter. Not only does the detail of this “minded-to” decision render further investment in future Zone 1 projects nugatory, and threaten the viability of existing developments entered into, in good faith, by businesses large and small, local and global, but it has the potential to destroy the cash-flow of many small community enterprises which proceeded only with the active

encouragement of Government agencies and on the assumption that such a breach of faith, as that represented by these proposals, on the part of a QUANGO such as Ofgem, was inconceivable. Were you to respond to this consultation process by withdrawing these proposals, with apologies, you would still have done great damage to the reputation of the UK Government, in respect of its obligations to conduct its business in a fair and even-handed way throughout the geographical boundaries of the United Kingdom, and to the reputation of your own Agency as a fair and even handed regulator.

If you are of the opinion that this proposal represents a faithful delivery of your remit, then I can only suggest that it is not fit for purpose and that you should apply for a new one.

Richard Jenkins.

Chairman.

Northwind Associates Ltd.