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The initial allocation of GB transmission system access rights under BETTA – a consultation on draft legal text

Dear David,

Thank you for the opportunity to respond to the above consultation.

Although this consultation is primarily concerned with the draft legal text, we believe that a number of the issues raised in our response to the NGC consultation 'Options for allocating GB Transmission Access Rights under BETTA' remain unanswered.

We are still concerned that a number of the applications for access rights that have been granted may be speculative and not related to credible schemes. These schemes have the potential to obstruct more viable schemes, give the wrong investment signals and result in overly high constraint costs. In the earlier NGC response, we broadly supported Option 2, however the option put forward in this consultation has not undergone the same level of consideration by NGC. It should therefore be referred back to NGC for analysis before comments are invited on the legal text.

Although we support the development of the GB market under BETTA, we also believe that support for Government policy measures, such as encouraging renewable generation, should be specific and not distort the market framework. It remains our concern that adopting these transitional arrangements could result in significant payments being made to certain constrained parties at the expense of other transmission users once the GB arrangements become active. It was with this in mind that we suggested in our earlier response that the introduction of a cost reflective locational BSUoS charge should be considered. There has been no response to this suggestion.

If you wish to discuss any aspects of this response, please do not hesitate to contact me.

Yours Sincerely

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