

Dear Anthony,

Many thanks for the opportunity to respond to your consultation on the Small Generator Discount. We agree with the proposals to extend the current expiry date of the Small Generator Discount and that it should continue to be based on 25 per cent of the total residual TNUoS tariff.

As noted in the consultation, the fundamental changes to the electricity charging arrangements being progressed under Project TransmiT and the impact that this may have on the enduring charging baseline present unique circumstances. In addition, at TCMF on 25th July National Grid stated indicated it intends to review the transmission arrangements for embedded generation after the conclusion of TransmiT. The proposed extension will allow an enduring embedded generation solution to be developed that can build upon any new transmission charging baseline emanating from CMP 213.

In summary, we agree that Ofgem's proposals to extend the Small Generator Discount:

- provides a level of regulatory certainty to all affected parties;
- should allow sufficient time for NGET to develop proposals following the conclusions that may flow from CMP 213;
- gives the industry enough lead time ahead of implementation to establish an enduring transmission charging baseline.

I hope this response helps. Please don't hesitate to get in touch if you have any questions.

Ricky

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