



Anthony Mungall
Ofgem
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03 September 2012

Dear Anthony,

Consultation on extending the discount for small transmission connected generators set out in Standard Licence Condition C13 beyond 31 March 2013

Thank you for the opportunity to provide views on this consultation on behalf of ScottishPower and ScottishPower Renewables.

ScottishPower considers that it would be appropriate to delay the expiry of SLC C13 given the lack of a stable charging baseline against which to assess any proposal to change the charging arrangements for small transmission connected generators due to the progression of CMP213. In addition, it is unlikely that either National Grid or industry would be able to resource the development work on an enduring solution to this issue in parallel with CMP213 and the Significant Code Review on Electricity Balancing.

Given the above issues and the likelihood that any enduring solution will involve a holistic approach to charging for embedded generation with the potential for changes to the CUSC, BSC and DCUSA we agree that the extension of the expiry of SLC C13 to 31 March 2016 would be appropriate.

ScottishPower does not consider that it is necessary to take any further measures to avoid extension beyond 31 March 2016. While developers of small transmission connected generation require certainty over the charges which they may face, it is essential that an enduring solution is developed in the context of considerable regulatory uncertainty over this period including the introduction of a capacity market and European network codes. If this should result in the need for a further extension beyond 31 March 2016 then there should be no impediment to doing so.

Should you wish to discuss any of these points further then please do not hesitate to contact me.

Yours sincerely,

James Anderson
Commercial and Trading Arrangements Manager

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