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OFGEM
9 Millbank
London SW1P 3GE

By email to gb.markets@ofgem.gov.uk

Response to the proposals for discussion of new trading arrangements

Swanbarton Limited is a consultancy company, with an emphasis on work in the electricity storage sector. The company is also active in the development of components to support local electricity markets, following validation of the concept in a study supported by the Technology Strategy Board.

A local electricity market enables trades between consumers, prosumers and generators on local electricity feeders and local areas of electricity networks. This would be a major paradigm shift in the operation of electricity markets, but is in itself a key part of the development of Smart Grids and active networks. It does not replace the existing structure, but complements it. We would wish to see consideration of this concept included in the future trading arrangements project.

We welcome the opportunity to respond to this letter on the future trading arrangements. We agree that such a project should be introduced as part of the role of market review and we would welcome the opportunity to address OFGEM's staff directly on this issue and expand on our reasons for proposing such a radical diversion to trading arrangements and illustrate the benefits of this new philosophy.

Yours sincerely



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