



**Scottish  
Water**  
Always serving Scotland

2<sup>nd</sup> August 2013

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Dear Sir/Madam

**Consultation on 'Wholesale power market liquidity: final proposals for a 'Secure and Promote' licence condition'**

Scottish Water welcomes the opportunity to comment on the above consultation paper and support Ofgem's initiative to improve wholesale power market liquidity.

We are a large non domestic consumer with a significant electricity demand. Opportunities to participate in the wholesale market through our supply contract are relatively weak as there is low liquidity and insufficient price signals, particularly for longer dated contracts.

Scottish Water have chosen not to respond to the questions in the consultation as these in our view are technical in nature, and better answered by those with greater knowledge and involvement of the wholesale market operation. However, we share Ofgem's view on this subject and are concerned about the current market situation.

We hope our comments are helpful and we hope the consultation will lead to an improvement in wholesale liquidity in due course.

Yours faithfully

Rob Crusher  
**Head of Energy**