

Energy UK's response to Ofgem's consultation on proposals to modify Standard Licence Conditions 14 and 15 of the electricity generation licence

29th January 2015

Executive Summary

Energy UK is the trade association for the energy industry. We represent over 80 members made up of generators and gas and electricity suppliers of all kinds and sizes as well as other businesses operating in the energy industry. Together our members generate more than 90 per cent of the UK's total electricity output, supplying more than 26 million homes and investing in 2013 more than £13 billion in the British economy.

Energy UK welcomes the opportunity to comment on Ofgem's proposals to modify Standard licence conditions 14 and 15 of the electricity generation licence. As referenced in the consultation, the current drafting of the Licence Condition prevented Triton Knoll Offshore Wind Farm Limited (hereafter "TKOWF") entry for survey as the power of entry in standard condition 15(4), pursuant to paragraph 10 of schedule 4 to the Electricity Act 1989, applied only for establishing whether the land was suitable for the "construction or extension of a generating station". The Authority's "minded-to" decision to refuse TKOWF entry was, whilst legal, restrictive and created needless delay in the development of one of the United Kingdom's largest offshore windfarms.

We are therefore pleased to see Ofgem address this issue in this consultation and are fully supportive of the proposed changes. These modifications to extend the condition to ensure it covers associated activities in connection with the construction or extension of a generating station should prevent future developers from running into the same issue as TKOWF. Furthermore, in addition to addressing the issue which impacted TKOWF, we note Ofgem have completed a general review of Standard Licence Conditions 14 and 15. We further support these changes as helpful clarifications which remove duplication and tidy up the overall drafting of the document.

In conclusion Energy UK is fully supportive of the changes proposed in this consultation and support Ofgem in their intention to modify the electricity generation licence to implement these changes. We consider that the changes remove uncertainty and confusion for licence holders and other stakeholders as well as better facilitating the timely and efficient development of generation.

Energy UK welcomes the opportunity to further discuss this issue with Ofgem. Should you require further information or clarity on the issues outlined in this response then please contact Kyle Martin on 020 7747 1834 or kyle.martin@energy-uk.org.uk.

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