

Sheona Mackenzie
Office of Gas and Electricity
Markets,
107 West Regent Street
Glasgow
G2 2BA

Your ref

Our Ref

Date

4th August 2015

Contact / Extension

Stephanie Rogan
0141 614 1581

Dear Sheona,

Statutory consultation on proposed licence modifications to enhance the role of the System Operator

SP Transmission, the onshore Transmission Owner for the South of Scotland, welcomes the opportunity to comment on the current Statutory Consultation and support the relevant licence changes which are required to implement the ITPR policy decisions.

Whilst we support the proposed licence drafting, it is pertinent to cross refer to our response to Ofgem's open letter of 29th May 2015 on Criteria for onshore transmission competitive tendering. In that response letter, we explained our concerns about the current policy proposals and do not believe that there is conclusive evidence to demonstrate that tendering will deliver a positive net benefit to consumers.

In relation to the proposed licence condition B12, the timing to modify the STC is very ambitious. It would be helpful if the industry was able to complete one Network Options Assessment cycle in order to fully understand what modifications are necessary to the STC. A transitional arrangement would be a positive proposal for all parties.

We will continue to work internally and with relevant industry working groups to develop effective processes to implement these licence changes.

Please do not hesitate to get in touch if you require further information.

Kind regards,



Stephanie Rogan
Licence Development Consultant
Network Planning & Regulation

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