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Dear Andrew

Implementation of The European Electricity Network Code Establishing a Guideline on Electricity Transmission System Operation

I am writing primarily with regard to the treatment of GB's multiple Transmission System Operators (TSOs) when implementing the EU Electricity Network Code establishing a guideline on electricity transmission system operation (TSOG).

Article 2(3) of the Guideline allows Member States to provide that the responsibility for complying with the obligations under the Guideline is assigned to one or more TSOs, where not all TSOs have the relevant function. We consider that the most appropriate route for assigning these obligations is for Ofgem to work with the TSOs to identify the relevant obligations. Ofgem can then make changes to the TSOs' licences to reflect the agreed assignment of obligations.

This process follows the precedent set during the implementation of the Capacity Allocation and Congestion Management (CACM) Guideline and the Electricity Network Codes on Grid Connection (Requirements for Generators, Demand Connection, and High-voltage Direct Current). There have also been informal discussions of the issue at the Joint European Strategy Group (JESG) and various TSOG stakeholder workshops, and there will be a formal consultation associated with changes to licences. Taken together these should provide appropriate ways of engaging with stakeholders in this process.

Whilst not yet finalised, there will be a similar Article in the Emergency and Restoration (ER) and Electricity Balancing (EB) Network Code. You should take this letter as confirmation that the same approach should be followed to identifying the relevant obligations for each TSO, once the ER and EB codes have been finalised.

In addition, we ask that Ofgem provides regular reports to the Department on the progress made in implementing the TSOG and alerts us to any risks or issues.

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Yours sincerely,

David Capper