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Consultation on removing references to Supplemental Balancing Reserve and Demand Side Balancing Reserve from National Grid Electricity Transmission plc ('NGET') licence

Dear Mark

We welcome Ofgem's letter setting out your minded to decision to remove remaining reference to Supplemental Balancing Reserve (SBR) and Demand Side Balancing Reserve (DSBR) from NGET's licence.

As stated in your consultation, SBR and DSBR were designed to be short term tools to address specific concerns about the supply outlook for 2014/15 and 2015/16, and were further extended to cover 2016/17 and 2017/18. However, in light of the Early Capacity Auction (ECA) and Capacity Market Delivery from 2018/19 there is no longer a requirement for SBR and DSBR.

We agree with Ofgem's decision to issue a direction to remove reference to SBR and DSBR from NGET's licence and with the proposed amendments to the licence.

Yours sincerely

By Email

Cathy McClay National Grid