



Rachel Clark,
Ofgem,
10 South Colonnade,
Canary Wharf,
London, E14 4PU

Wenche Tobiasson
InterGen UK
81 George St, Edinburgh
EH2 3ES

27 July 2018

Dear Rachel,

Switching Programme: Proposed modifications to regulation and governance

Background

InterGen remains the only genuinely independent generator active in the GB market with a track record of developing, constructing and operating large scale thermal power generation projects. We have been active in the market since the 1990s and therefore bring a unique perspective to issues regarding the GB wholesale electricity market.

InterGen is owned by two major international investors, representing two key classes of investment which the Government is seeking to attract to UK infrastructure investment, namely, pension funds (Ontario Teachers' Pension Plan) and strategic investors from the People's Republic of China (China Huaneng/Yudean). We are one of the UK's largest independent generators, operating a portfolio of three flexible gas-fired power stations totalling 2,490MW; an investment of some £2.1bn. These stations are located at Rocksavage (Cheshire), Spalding (Lincolnshire) and Coryton (Essex). Additionally, in December 2016, at the Capacity Market T-4 auction, InterGen won a fifteen-year agreement to construct a 300MW OCGT, an expansion of the existing Spalding site.

Response

Q2.1: Do you support our proposal to introduce a high level duty upon licensees to cooperate, where appropriate, in delivering the outcome of a significant Ofgem-led programme, such as a SCR?

We do not agree with Ofgem's intention to introduce a blanket obligation across licences. It is unclear how this will be applied in the future and we see no evidence of why introducing a duty upon licensees to cooperate is required. We would therefore appreciate more details and examples of when this would be relevant and what would be required by generators. Rather than a broad license obligation, we would argue for specific measures, where necessary, to be included as part of each individual SCR.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Wenche Tobiasson".

Wenche Tobiasson
InterGen (UK) Ltd.