Andrew Self
Energy Systems Transition
Ofgem
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Date:
21 December 2018
Contact / Extension
Lynne Bryceland
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Dear Andrew

Statutory consultation on our proposal to modify Standard Licence Condition C13 (Adjustment to use of system charges (small generators)) of the electricity transmission licence

This response is from SP Transmission (SPT), the onshore transmission owner for the South of Scotland.
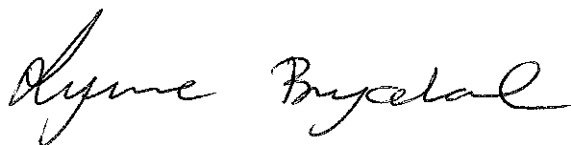
We welcome the opportunity to respond to this statutory consultation to extend the small generator discount as set out under Standard Licence Condition C13. We agree with Ofgem's proposal to extend the expiry date of SLC C13 to 31 March 2021. It is sensible that this discount remains in place whilst Ofgem undertakes its wider work reviewing embedded benefits as part of its wider Targeted Charging Review (TCR).

As we move to a smarter, more flexible energy system, SPT is supportive of a whole system approach, focused on making optimal regulatory, investment and operational decisions for the whole electricity network, not just transmission or distribution networks in isolation. To do so, it is important that we have a better understanding of the whole energy system costs and their impacts. Therefore, ensuring a level playing field across the charging regime for 132kV *transmission* connected embedded generators in Scotland, compared to their 132kV *distribution* connected counterparts in England and Wales is just one way in this whole system approach can be realised. Such an approach is also consistent with Ofgem objectives in its TCR, to ensure that costs are apportioned fairly.

We look forward to working with Ofgem on the TCR in the coming months.

Should you have any questions in relation to this response, please do not hesitate to contact me.

Yours sincerely

Lynne Bryceland
Transmission Policy and Licence Manager