

Ofgem
F.A.O. Mr Andrew Self

RNG/HKG/834900

Wilton 1 February 2019

Dear Mr Self

SABIC UK Petrochemicals Limited is a customer within a transmission connected industrial site and we accept that charges need to be fair and proportionate, and therefore we would like to take the opportunity to make the case that 'final demand user' for a fixed charge is confirmed as the Balancing Mechanism Unit (BMU) settlement meter point to avoid potentially unequal treatment between industrial sites. Large industrial sites are quite often similar in nature in terms of connections to the Grid and the demands that they place on the system; however, some may be dominated by one single user whereas others have multiple users.

If final demand is based on the number of users and sub-meters this would mean sites with multiple users will pay disproportionately high charges compared to sites with one user; and were sub-metering to be used this would have a major impact to SABIC as there are 26 meters thus making the increase in cost so significant that it could impact the sustainability of SABIC's business.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ronald N Grant', is located below the 'Yours sincerely' text.

RONALD N GRANT
Finance Director