

Good Afternoon,

I am writing this email as the Managing Director of an energy consultancy that has been in business for nearly 25 years and has helped thousands of customers navigate their way through the ever changing energy landscape. I have been in the industry for 14 years and I personally manage a handful of customers of varying size personally, ensuring that I stay with my "ear to the ground" in terms of the challenges faced by end users. Our customers range from single site Microbusiness and SME customers to Medium size Industrial users consuming 20million KWH plus so this legislation is very much applicable to our entire customer base.

I have read the most recent letter (attached) and I must say that I am baffled by the recommended approach that is being proposed here. I believe that as a country, in order to transition to a net zero economy the promotion of flexibility should be a primary focus for the government. This latest recommendation appears to do exactly the opposite, with the suggestion that users who actively manage their load at peak times (which in turn helps balance the grid) are simply "making it unfair" for those who are not currently doing this.

I am surprised that there has been so much time, effort and resource put into this when realistically, when implemented will simply create another issue which will need to be solved. If large industry is no longer as incentivised to manage usage at peak times, coupled with the electrification of transport and heating systems as well the intermittency of our generation assets what will the increase in demand be at peak times by the (furthest) proposed implementation date of April 2023?

What will the cost to the consumer be for the implementation of this change be in terms of new systems required by the energy suppliers as well as the system operators and other parties such as ECOES etc? My fear is that by the time all of the costs associated with this change are accounted for that there will be no benefit to customers whatsoever. Moreso some of our customers benefit from the Energy Intensive Industries exemptions which were put in place by the government in order to keep industry in the UK. If large industrial users are suddenly hit with large increases in electricity cost, what effect will this have on UK industry as a whole and the plan to promote UK industry and stop production of goods moving abroad?

I also find the proposal to segment these charges based on Line Loss Factors very surprising. This will create confusion for customers and many industry participants, when most customers are not even aware what a LLF is or where it would be found and as mentioned in the letter what would happen with multi metered sites?

I am not expecting a reply from this email as I realise this is determined by your approach to each consultation however I hope that this brings to life some real concerns that, in my opinion make these proposed changes appear to be very difficult and in some ways detrimental to the aims of the UK with our transition to a Net Zero economy.

Kind Regards,