

Andrew Burgess
Office of Gas and Electricity Markets
By email: flexibility@ofgem.gov.uk

25 July 2019

Dear Andrew

Clarifying the regulatory framework for electricity storage: Statutory consultation on proposed modifications to the electricity generation licence

As a storage asset owner, ESB welcomes the proposed licence changes, which have been long-awaited since the recommendations of the Smart Systems and Flexibility Plan in 2017. We understand that more timely action on industry innovation, especially in support of decarbonisation, is a future goal for both BEIS and Ofgem, and we are supportive of this.

ESB is pleased that storage is clearly defined in the proposed modification and the information provision requirement on licensees owning or operating storage is appropriate.

Further clarification for storage assets below 50 MW is needed, both in these proposed changes and from future BEIS and Ofgem work. In the absence of clarity of progress on the treatment of storage in recent years, some <50MW assets have opted to take up a generation licence and it is not clear how these parties are impacted by the proposals. There is also a need to address the treatment of storage and related activities in wider industry legal and regulatory frameworks, to provide clarity and consistency for future as well as current assets.

We are concerned that Condition E1 requires the publication on company websites of information which may be commercially sensitive or confidential. Such requirement for web publication is not consistent with obligations on other technologies, and appears disproportionate. Storage licensees may not necessarily have websites on which to publish data, creating an additional cost and barrier to entry. ESB therefore believes that the requirement for web publication should be removed and the information items need consultative review.

Yours sincerely

Kirsty Ingham
Regulation and Commercial Manager, UK
ESB