

Clarifying the regulatory framework for electricity storage: Statutory Consultation on electricity generation licence changes and next steps

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A Highview Power response

Highview Power Storage (HPS) welcomes the opportunity to respond to this consultation. HPS is an award winning, UK based energy technology company focused on a cleaner, more efficient and secure energy future. HPS has developed a proprietary energy storage technology that uses surplus electricity, at times of low demand/low cost, to make liquid air, which can be stored and released later to generate electricity at times of high demand/high cost.

HPS technology uses proven components from the industrial gas and power generation sectors, is unconstrained geographically, uses no exotic/rare materials and produces no harmful emissions. It has the potential to provide a large scale, long duration solution to the challenges to the electricity supply chain associated with increased intermittent low carbon generation.

Having read the proposed amendments, in particular the introduction of condition E1, we are in favour of its implementation as detailed in the “notice of statutory consultation on a proposal to modify the standard conditions of all electricity generation licences”.

We support the proposed changes to the electricity generation licence standard conditions that aim to include a definition of storage and storage facility to clarify the role of electricity storage in the energy system as an interim solution. However we would strongly favour a proper definition of electricity storage in primary legislation. This will help alleviate existing barriers to the deployment of energy storage for certain applications such as congestion management explored in various electricity markets across the world.

We also welcome further clarity regarding double charges. The new licence condition should ensure storage providers are not subject to final consumption levies. Regarding the requirement to publish information as detailed in paragraph 3 of Condition E1. We support this amendment and if limited to what is described in paragraph 3 this information should not be commercially sensitive.

Regarding the following paragraph “We expect not only storage providers, but all providers of flexibility services, to support transparent information sharing. All parties should, for example, consider keeping their websites up-to-date with information on the type of technology used, the services provided and key performance indicators.” We would welcome further clarity on the need to disclose information regarding services provided and key performance indicators of storage facilities.