

Zenobē Energy Ltd.'s Response to Ofgem's Consultation:

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

25th July 2019

Condition E1:

We received a letter notifying us of the possible changes and the implementations dates. We do not see any reasons why we will not be able to disclose the required information.

We would welcome more clarity regarding the meaning of 'capacity'. *In condition, E1.3.b.i* does 'power and capacity of the storage facility' refer to the power and capacity of the storage facility at the year of publication, i.e. taking account the degradation. Or does it mean the initial capacity of the asset?

Other comments

Any information required by the authority may be subject to separate confidentiality agreements between the store owner and its customer. Consequently, the provision of such information needs to be on the basis of the confidential requirements of the agreements.

The licence modifications will bring more clarity and are a 'quick win' for storage. However, storage is **not** a subset of generation, and a separate Licence is still needed. The Licence modifications do not provide a long term solution. Storage will continue to face multiple barriers to entry and deployment with an unfair treatment regarding planning, business rates and network charging tariffs, for example. A separate Licence for storage will facilitate a fair treatment of an asset which cannot be classified as generation or demand, has specific applications and will play an essential role in the years to come supporting the grid.

If you or colleagues have any immediate queries regarding Zenobē's consultation response; please do not hesitate to contact me.

Yours sincerely,

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