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By email only to: [flexibility@ofgem.gov.uk](mailto:flexibility@ofgem.gov.uk)

24 March 2021

Dear Chiara

**Enabling the competitive deployment of storage in a flexible energy system: consultation on changes to the Prohibition of Generation Guidance following changes to conditions 31D and 43B of the electricity distribution licence**

Thank you for the opportunity to respond to the above consultation. This response is on behalf of UK Power Networks' three distribution licence holding companies: Eastern Power Networks plc; London Power Networks plc; and South Eastern Power Networks plc. We are Great Britain's largest electricity Distribution Network Operator (DNO), dedicated to delivering a safe, secure and sustainable electricity supply to 8.3 million homes and businesses.

We understand the need to update the Prohibition of Generation Guidance (POGG) following implementation of the Clean Energy Package and are broadly happy with the proposals. Set out below are our queries/feedback on the proposals:

1. The opening sentence to para 1.8 would read more clearly as "was implemented" and the second sentence does not need the word "similarly".
2. In paragraph 7.4 we would appreciate clarity on the face of the POGG that Ofgem would ensure the affected licensee has an appropriate time period to produce the report if it is to be directed to do so. We believe this should be at least three months mindful that to produce the report will require engagement with third parties.
3. Additionally in paragraph 7.4, we believe it should be "third parties" and not "third party" on the second line.
4. In paragraph 7.7 there is a reference to the licensee phasing out an asset within 18 months of the decision following the consultation. Can you please confirm how this time period has been arrived as we are unclear whether it will be suitable in all circumstances?
5. Paragraph 7.9 refers to there being no appeal process – we seek clarity that this is only in respect of a specific appeal process set up under this guidance or its associated licence condition and does not affect any appeals process to the courts.

6. In respect of the compensation to be paid described in paragraph 7.10, we believe that the addition of the word “objective” onto the face of the document is appropriate to reflect the position that should be taken.

If you have any queries on the above please do not hesitate to contact Paul Measday ([paul.measday@ukpowernetworks.co.uk](mailto:paul.measday@ukpowernetworks.co.uk)) in the first instance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James Hope', with a stylized flourish extending to the right.

James Hope  
Head of Regulation & Regulatory Finance  
UK Power Networks

Copy: Paul Measday, Regulatory Returns & Compliance Manager, UK Power Networks