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Dear Stuart

**RE: GB ECM-18 – Locational BSUoS**

Thank you for your letter today asking National Grid to withdraw the current version of the conclusions report on Locational BSUoS (GB ECM-18), in order to conduct further analysis on the proposal.

As highlighted in the GB ECM-18 conclusions report, the time frame in which National Grid has been asked to assess the appropriateness of the current charging methodology and bring forward proposals for change has restricted the scope and breadth of the proposals that we have been able to develop and our ability to conduct the usual level of analysis. In this context, and noting the significance of the changes proposed, we fully support the need to carry out a full assessment of the likely impact of implementing the proposal. Since such an assessment is unlikely to be achievable within the timeframe allowed, National Grid agrees to withdraw the current version of the conclusions report on GB ECM-18.

As requested, we will now undertake further analysis and give further consideration to the impacts of the proposal and, in particular, to better quantify the extent to which the proposal better achieves the relevant licence objectives. While undertaking this analysis we will keep the proposals under review and, if necessary, make further amendments to the proposals, consulting with the industry where appropriate.

Once we have had the opportunity to consider the additional analysis, we will of course keep you, and the industry, updated on the likely timetable for bringing forward either a revised report on GB ECM-18 or alternative proposals.

Yours sincerely

Alison Kay  
Commercial Director, Transmission