

Tom Ireland
Electricity Charging & Access Development
National Grid Electricity Transmission plc
National Grid House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

29 August 2008

Dear Tom,

British Energy response to the consultation document for 'Charging arrangements for generator local assets' (GB-ECM 11)

The British Energy group of companies welcomes the opportunity to respond to the above consultation.

Key points:


- **We acknowledge that National Grid wish to provide Users with a more cost reflective signal to enable efficient choice of connection design.**
- **We note that this modification will also act as an enabling factor for the CUSC amendments considered within the transmission access review.**
- **British Energy believes that the stability and transparency of charging methodologies is extremely important when considering charging modifications**
- **We are concerned that Option B creates instant winners and losers amongst industry parties**
- **For these reasons we support the implementation of option A 'Specific treatment of generation connections'**

In assessing the options against the relevant objectives and their change from the current baseline the lower impact and simple approach provided by Option A clearly makes it the preferred option. Whilst Option B has some merit, it is relatively unpredictable and opaque. British Energy is concerned that these aspects of Option B do not provide the appropriate balance between stability and cost reflectivity.

We note that this change is being introduced primarily to allow Users to choose an SQSS design variation connection and is only an enabling factor of the transmission access review. We have concerns with Option B, in that, it creates a significant change from the baseline of how National Grid recover their allowed revenue and as a result introduces sizeable winners and losers amongst industry parties. We feel Option A provides appropriate cost reflectivity and this is therefore our preferred choice.

Please contact me directly should you need clarification on any of these points.

Yours sincerely



Louise Schmitz
Trading consultant
British Energy, Trading and Sales

British Energy Group plc
Barnett Way
Barnwood
Gloucester GL4 3RS

T +44 (0)1452 652222
F +44 (0)1452 653775
www.british-energy.com

Registered Office:
GSO Business Park,
East Kilbride G74 5PG
Registered in Scotland No. 270184