

The following comments are in response to the three related consultations listed above (covering proposals for 'Plug' boundary changes, locational and year-round TNUoS charges respectively) and should be read in conjunction with our earlier response to the initial charging methodologies consultation in July.

EIUG believes due weight should have been given to the advantages to consumers and generators alike of stability and predictability in transmission charging. We remain sceptical that a radical redefinition of boundaries is necessarily desirable at this stage, especially with regard to reducing connection charges for generator only spurs. We acknowledge a case can be made that this could reduce a potential barrier to new entry, but equally that this would represent a transfer of risk from individual generators to the market as a whole, and hence to consumers.

EIUG believes the proposals will further increase the level of complexity in transmission charging, which is already a matter of concern to our members. Complexity presents problems enough for the energy industry itself, let alone for industrial consumers whose commercial focus cannot be concentrated to the same degree on energy matters. Such developments risk further disadvantaging energy consumers.

EIUG does not support the introduction of year round TNUoS charges, which would reduce the Triad incentive to manage peak demand. We believe this would have negative consequences for system security. In view of National Grid's recent public pronouncements about the adequacy of winter supply margins, we are astonished that such a change is being considered.