



Commercial

The National Grid
Company plc
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Date: 14 April 2003

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Dear Eileen

ELECTRICITY GENERATION STANDARD LICENCE CONDITION 18: GENERATING UNIT AVAILABILITY

We welcome the opportunity to comment on the issues raised in this consultation. When Standard Licence Condition 18 (SLC18) was introduced Powergen, together with National Power and Nuclear Electric, owned in excess of 90% of the generating capacity in England and Wales and the Licence Condition was a response to this concentration of ownership. However, the market share of the CEGB successor companies has fallen and that of other companies has grown to the point where SLC18 now appears inequitable. We see a clear case for equal treatment by either agreeing with Powergen's request or switching on SLC18 in all generation licences.

We note that, even in the absence of SLC18, Ofgem can request data from any generating company concerning its decisions to make plant unavailable. In general, we believe that it is more efficient for the Authority to request data as necessary, rather than requiring reports to be submitted on a routine basis. Therefore we support Ofgem's recommendation to accept the disapplication request. We would also like to express our view that this issue is unrelated to the fundamental importance of Generators (and others) submitting accurate availability data to ourselves as System Operator under OC2 of the Grid Code.

If you have any queries please do not hesitate to contact me on 024 7642 3966.

Yours sincerely

Phil Lawton
Market Issues Manager



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