

Sonia Brown Director, Wholesale Markets Ofgem 9 Millbank London SW1P 3GE E.ON UK plc

Westwood Way Westwood Business Park Coventry CV4 8LG eon-uk.com

Paul Jones 024 7642 4829

paul.jones@eon-uk.com

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Dear Tom,

GB ECM 007 Adjustment of Seven Year Statement Transmission Entry Capacity Data for Calculating 2007/8 TNUoS Tariffs

I am responding to the above consultation on behalf of E.ON UK plc. We support the proposed amendment.

We believe that the present methodology, whereby data contained in the October update of the Seven Year Statement is used for setting tariffs, aims to achieve an appropriate balance between cost reflectivity and the prompt publication of tariffs, so that market participants are able to make appropriate decisions for the following charging year. Ordinarily, we would not be supportive of a last minute change to this methodology. However, it is clear that the differences in the actual TEC data compared with that contained in the October SYS, are such that the change in TNUoS charges which results is significant enough to warrant an amendment in this instance.

We also agree with the view that only a short term solution should be implemented at this point to cater for next year's tariffs. This issue is of sufficient importance to warrant a more considered assessment of the longer term solution. As you mention in the consultation, CUSC amendment proposal CAP131 may have a bearing on this issue. Likewise other amendment proposals may be relevant, particularly those relating to transmission access. Therefore, we agree that the longer term solution should be considered after the immediate issue for next year has been resolved.

Yours sincerely

Paul Jones Trading Arrangements E.ON UK plc
Registered in
England and Wales
No 2366970
Registered Office:
Westwood Way
Westwood Business Park

Coventry CV4 8LG