

Innogy Response - Nicola Percival

Please see below a very short response from innogy. Apologies for lack of pro-forma – time is short and the consultation isn't. innogy lends it's support to the following principles:

- CMP317/327 should not result in maximising generator charges arbitrarily (therefore aim for €0/MWh rather than €2.50/MWh). This approach would provide symmetry with demand charging and address some charging disparity issues between GB and EU generators which have persisted for some time. The workgroup report notes these and we agree.
- The likely outcome of CMP317/327 will be to increase G-TNUoS costs from April 2021, as a result of removing the negative residual (all or mostly). If Ofgem then choose to progress changes to the reference node as part of the SCR, this could have the effect of reducing G-TNUoS charges from 2023. It does not make sense to increase TNUoS costs in 2021 whilst knowing that they could then be reduced as a result of amendments to the reference node. It is confusing for investors, and unfair to existing generators. This is further reason to recover zero from generators, on a par with demand, until such time as we have more information re Ofgem's plans for the reference node.