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Mrs Fay Geitona
ERGEG

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Dear Mrs Geitona,

ERGEG consultation on existing transparency requirements for natural gas

Thank you for the opportunity to respond to this consultation.

SSE is the second largest generator in the UK, with over 11.5GW of generation capacity, 2GW of which is renewable. Additionally, we are the UK's second largest energy supplier, with more than 9 million gas and electricity customers, and we have an electricity networks business which is responsible for around 127,000km of overhead lines and underground cables. We also hold a 50% stake in Scotia Gas Networks (a UK gas distribution business) and operate telecoms, contracting and gas storage businesses. We have a generation and supply operation in Ireland and are currently developing our renewable generation portfolio in Continental Europe.

We believe that the Third Package has been successful in harmonising transparency requirements for LNG, storage and transmission and has maintained the correct balance between legally binding requirements and voluntary guidelines. As both storage and LNG operation in GB is undertaken on a merchant rather than fully regulated basis, it is important to secure certainty in the regulatory framework in order to encourage investment in this sector. Each time the sector is faced with another set of legally binding requirements and a shift in the regulatory framework, certainty is removed and investor confidence damaged.

We believe it is appropriate, at this time, to maintain the existing balance between legally binding requirements and voluntary guidelines, as Member States set about transposing the requirements of the Third Package and as work continues on the European Network Codes. It is also important to avoid regulatory overlap between the European Network Codes and existing guidelines. In this regard, we do not support the proposal that any of the existing GGP should currently become legally binding.

That said, we believe that there may be some merit in proposing further transparency requirements for the production sector. The production sector is not currently subject to the same level of transparency requirements as the rest of the energy sector. In line with proposals, in the draft Electricity Fundamental Data Transparency Guidelines, for generators to publish planned and unplanned outages, it may be appropriate to apply the same kind of logic to the production sector.

If you would like to discuss our response or require further information, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Samantha Ridsdale', with a long horizontal flourish extending to the right.

Samantha Ridsdale
Regulation and European Affairs