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Our ref:

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4 December 2012

Dear John,

Report on the enduring 'Connect and Manage' grid access regime

Thank you for your letter of 15 November providing me with a third report on impacts of the enduring 'Connect and Manage' grid access regime introduced in August 2010.

The provision of sustained and commercially viable connection opportunities is essential in delivering a reliable and affordable future low carbon energy mix. I therefore welcome the fact that 'Connect and Manage' continues to provide earlier connection opportunities for a wide range of generation projects across all areas of GB.

I note that constraint costs so far attributed to 'Connect and Manage' are low. However, the timely delivery of key grid investments remains essential to ensuring such costs do not become unmanageable in future years as more generation is brought forward.

I strongly support the additional measures being taken to minimise overall constraint costs. There is clear merit, for example, in ensuring effective interaction between the System Operator and Transmission Owners on network maintenance planning and in proactively monitoring industry compliance with the Transmission Constraint Licence Condition. I also welcome the significant progress on developing and delivering required network investments.

I would be grateful if your officials could continue to liaise with mine on relevant aspects of these work programmes.

Yours sincerely,



JOHN HAYES