



# Melton Renewable Energy UK PLC

21<sup>st</sup> June 2017

## **Melton Renewable Energy UK PLC (“MRE UK”)**

### **Embedded Benefits – Transmission Use of System Income**

On June 20, 2017 Ofgem confirmed its previous minded to decision to change electricity transmission charging arrangements for embedded generators such as MRE UK. These changes remove approximately 90% of the current triad benefit from embedded generators by 2020/21 and will be phased in equally over three years commencing in 2018/19. Such revenue amounted to around £5.3m for MRE UK in 2016/17.

We are extremely disappointed with Ofgem’s position and what we believe to be retrospective change, pushed through using an inappropriate industry process, and one which will penalise incumbent generators.

END