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ERGEG Public Consultation on Transmission Tarification

Statnett welcomes the proposed guidelines on Transmission Tarification. The main improvements have already been made, since Member States have developed transmission tariffs, which are based on point of connection instead of distance. It is nevertheless important to finalize the guidelines so that they can enter into force from 1st of January 2006.

A harmonization of the 'G' charge in absolute values and not in relative shares of 'G' and 'L' for each Member State will contribute to a more level playing field. It is important that both generation and load have incentives to keep transmission costs low. Therefore, Statnett would like to emphasize the importance of having a G charge above zero.

Locational signals will contribute to a better utilisation of the grid and contribute to more efficient investments and hence lower transmission costs over time.

Statnett agrees with the proposed guidelines that congestion management gives locational signals. We would also like to add that locational signals could be given by a tariff that includes marginal loss payment. A tariff that includes a marginal loss fee will therefore, like congestion management, give both a short term and long term signal.

Yours sincerely,
Statnett SF

Odd Håkon Hoelsæter
President and CEO