

News story: CMA dismisses SSE and EDF Energy appeal against Ofgem decision

SSE and EDF appealed to the CMA (Competition and Markets Authority) after Ofgem decided to reject their request to modify industry rules.

The appeal related to a dispute about the charges paid by electricity generators, including SSE and EDF, for use of the electricity transmission system. In 2016, SSE had requested a change to industry rules, which would have resulted in generators receiving a £120m rebate from National Grid.

SSE argued that GB generators had paid more in transmission charges in 2015/16 than the maximum permissible under EU law.

Ofgem rejected SSE's request in November 2017, concluding that the maximum permissible level of charges under EU law [had not been breached](#).

SSE and EDF appealed to the CMA. The main point of dispute was whether there was an exclusion from the EU cap on transmission charges for the cost of connections between offshore wind farms and the onshore grid. The CMA concluded that – applying the correct approach to EU law – there was such an exclusion and therefore there had not been a breach of the cap and Ofgem was entitled to reject the modification request.

The CMA's determination, setting out full reasons for dismissal of the appeal, will be published on the [case page](#) shortly.