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GB Wholesale Markets
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22 October 2020

Dear GB Wholesale Markets Team,

Re: RES Response to the Consultation on Capacity Market Rules Change Proposals

The following is a response to the "Consultation on Capacity Market Rules Change Proposals dated 22 July 2020 ("the CMR CP Consultation") submitted by RES. Our response is not confidential.

RES is the world's largest independent renewable energy company active in onshore and offshore wind, solar, energy storage, transmission and distribution. At the forefront of the industry for over 38 years, RES has delivered more than 18 GW of renewable energy projects across the globe and supports an operational asset portfolio of 6 GW worldwide for a large client base.

Our only material comment on the proposals set out in the CMR CP Consultation is in relation to the definition of Relevant Balancing Services (RBS) as considered under section 9. The establishment of a competitive market for balancing and flexibility services is likely to be crucial to an effective and economic transition to a Net Zero energy system. Individually, these flexibility and balancing services are unlikely to create a business case in their own right for the financing of essential new flexibility assets such as commercial scale battery storage projects. It is therefore key to the success of essential new balancing and flexibility services that their terms be "stackable" with other services. New flexibility services, such as Dynamic Containment, are not currently defined as RBS meaning that new battery storage assets would be highly unlikely to offer the service to NGESO. We therefore propose that Dynamic Containment and other new flexibility and balancing services be added to the list of RBS set out in Schedule 4 to the Capacity Market Rules.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'P. P. Smith', is written over a light blue rectangular background.

Patrick Smart
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