

29a Union St Greenock Scotland PA16 8DD

FAO: David Halldearn Director, Scotland & Europe Office of Gas and Electricity Markets 9 Millbank London SW1P 3GE

15/01/2004

RE: Small generators Consultation

Dear Sir,

Airtricity is one of Europe's leading, fully integrated renewable energy companies. We have a number of operational and proposed windfarms (on and off-shore) in the UK and Ireland.

Airtricity would like to thank OFGEM for providing the opportunity to comment on the fundamental reforms proposed by the BETTA program, through the small generators consultation.

In summary, Airtricity endorse the views expressed by our trade body, the Scottish Renewables Forum. In addition, we would like to make the following points:

- 1. Transitional Arrangements: Currently Airtricity have a number of offers and agreements with the existing Scottish T&D operators. We will receive/ enter into a number of other such arrangements before BETTA "goes live." It is vital that OFGEM clarify the process by which such agreements and offers will be assigned from SSE/SP to the new GB SO.
- 2. Charging: While there is clearly a requirement for the implementation/ Harmonisation of Transmission Use of System charges, the level proposed by NGC is patently unworkable. Punitive Locational signals will lead to the closure of conventional plant (vital for maintaining security of supply) and the abandonment of renewable projects. OFGEM must implement use of system charge capping, through whatever means to maintain charges at a reasonable level.

Thank you again for the opportunity to comment on this proposal. Airtricity look forward to contributing to the debate which will lead to the successful implementation of BETTA

Yours sincerely,

Cameron Smith MSc. CEng. MIEE

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