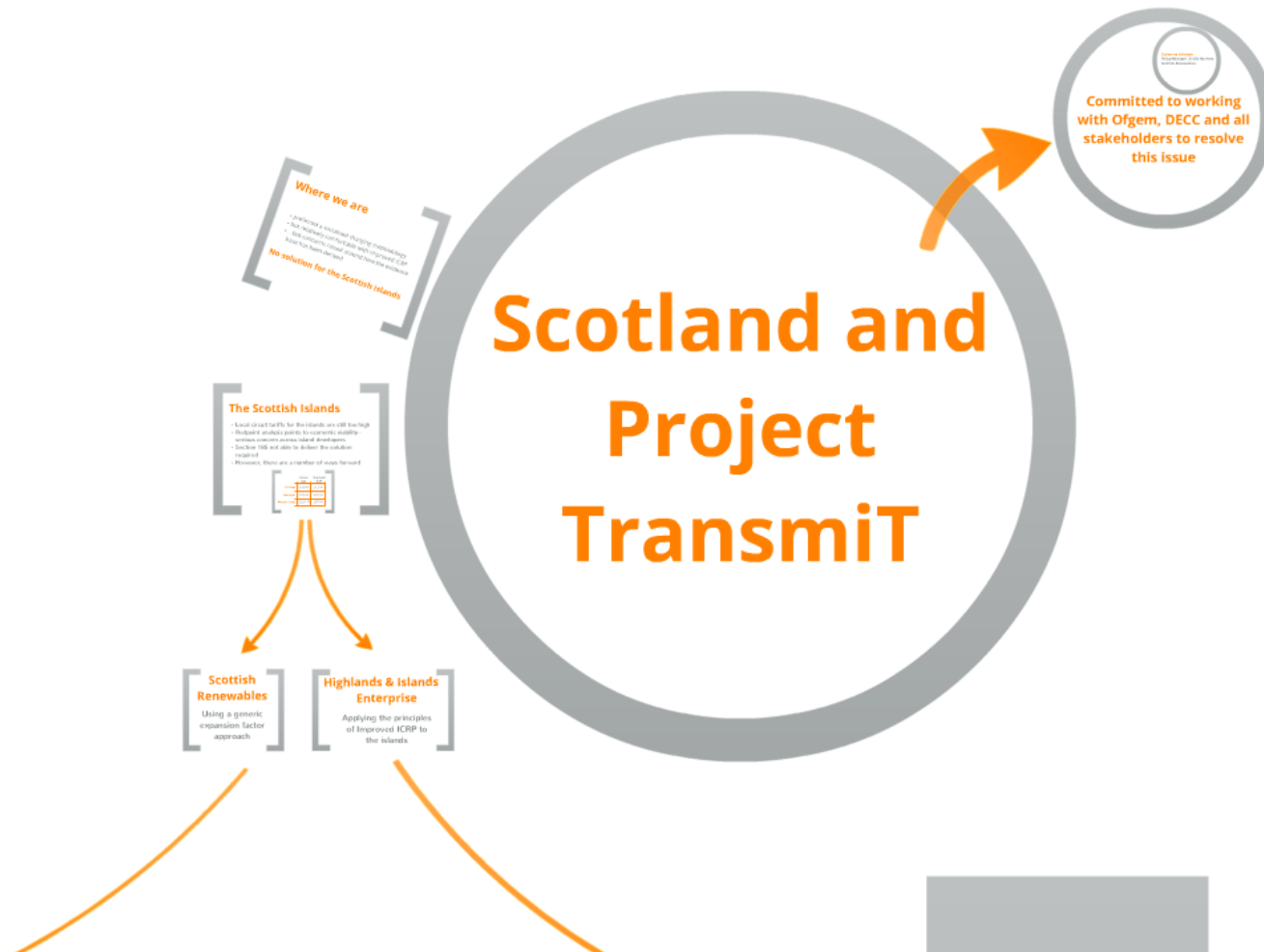


Scottish Islands and transmission charging



Committed to work with Ofgem, DECC and other stakeholders to address this issue

Scotland and Project TransmiT

Where we are
preferred a socialised charging methodology but relatively comfortable with Improved ICRP but concerns raised around how the evidence has been derived
Conclusion for the Scottish Islands

Highland Islands
for the islands are still too high relative to economic viability - this is a concern for island developers to deliver the solution
number of ways forward

Island	Improved ICRP
1. Gigha	£10000
2. Barra	£10000
3. Lewis	£10000
4. Na h-Eileanan Siar	£10000

Highlands & Islands Enterprise
Applying the principles of Improved ICRP to the islands

Where we are

- preferred a socialised charging methodology
- but relatively comfortable with Improved ICRP
- ...but concerns raised around how the evidence base has been derived

No solution for the Scottish Islands

The Scottish Islands

- Local circuit tariffs for the islands are still too high
- Redpoint analysis points to economic viability - serious concern across island developers
- Section 185 not able to deliver the solution required
- However, there are a number of ways forward

	Status Quo	Improved ICRP
Orkney	£94/kW	£52/kW
Shetland	£57/kW	£57/kW
Western Isles	£121/kW	£67/kW



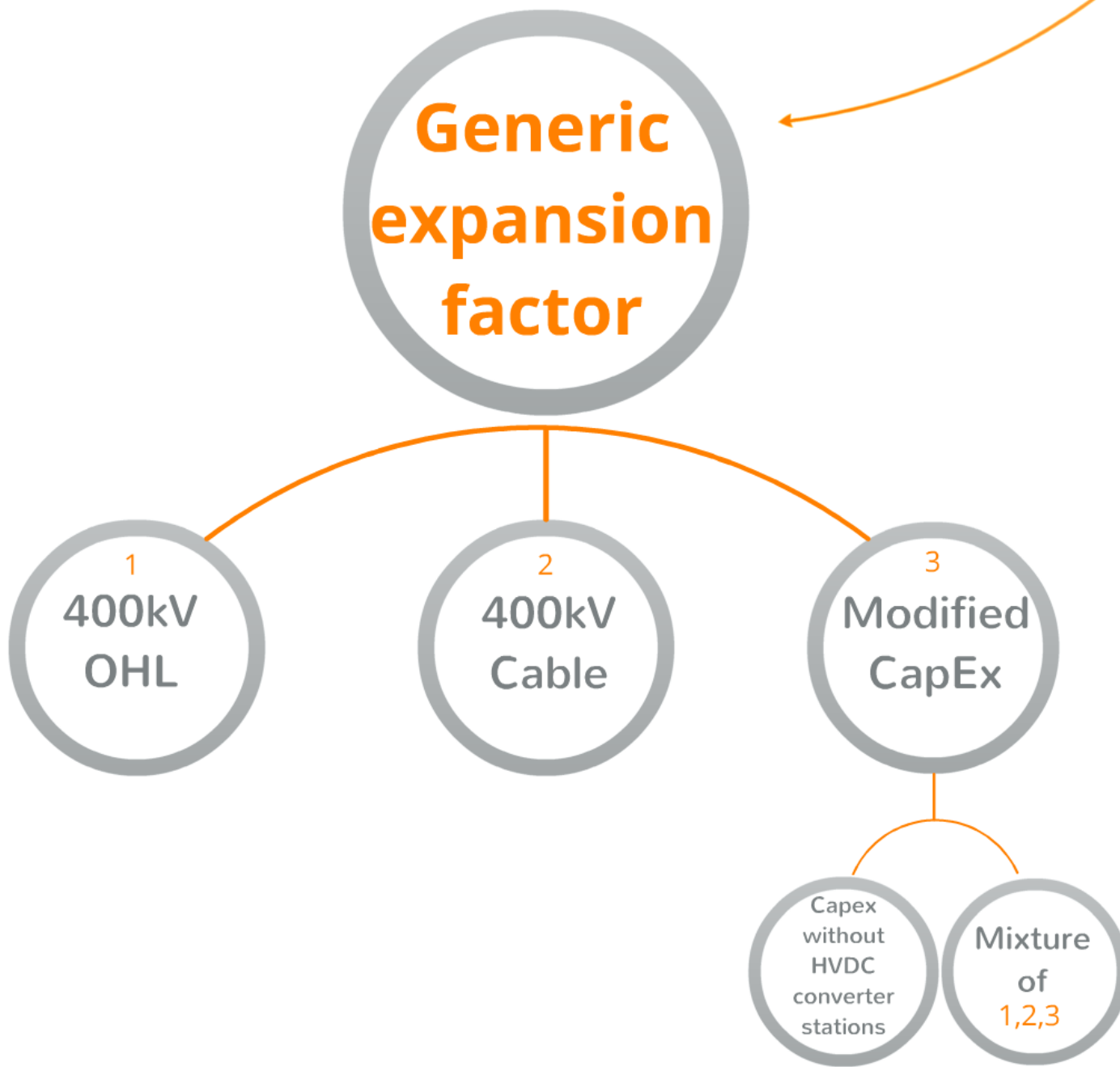
**Scottish
Renewables**

Using a generic
expansion factor
approach

**Highlands & Islands
Enterprise**

Applying the principles
of Improved ICRP to
the islands







**Scottish
Renewables**

Using a generic
expansion factor
approach

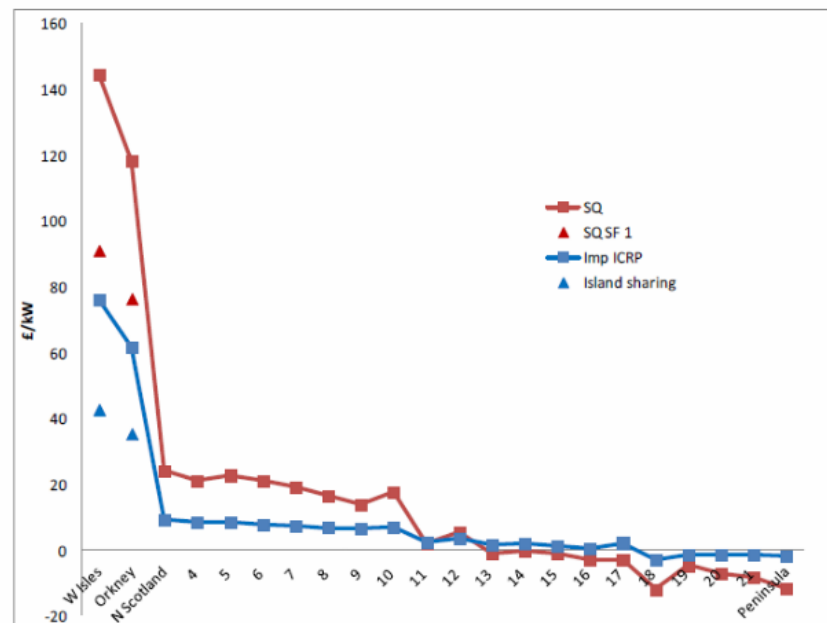
**Highlands & Islands
Enterprise**

Applying the principles
of Improved ICRP to
the islands

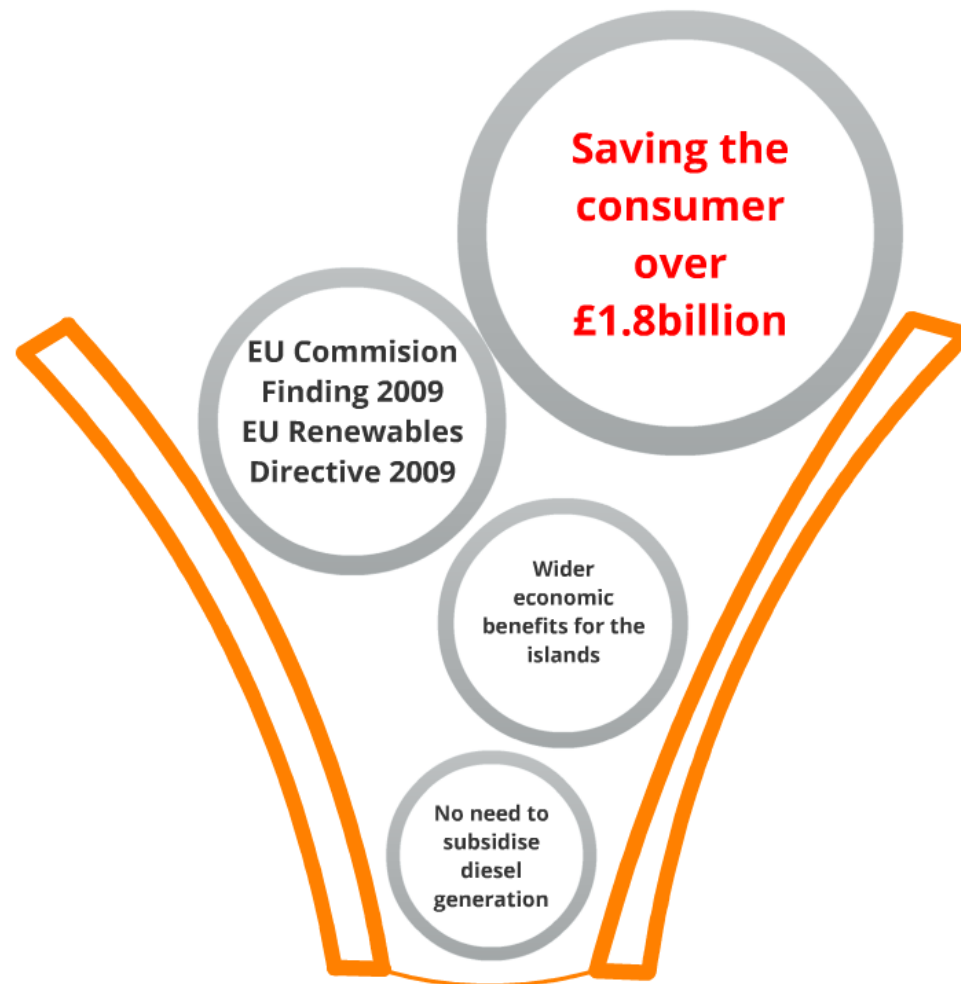


Improved ICRP for the islands

- extend the principles of Improved ICRP to the Scottish islands as well
- could reduce charges to around £35-45/kW
- counter-correlation of plant



Islands: consumer benefit





**Saving the
consumer
over
£1.8billion**


**mission
2009
ables**



**EU Commission
Finding 2009
EU Renewables
Directive 2009**



**Wider
economic
benefits for the
islands**



**No need to
subsidise
diesel
generation**



Catherine Birkbeck
Policy Manager, Grid & Markets
Scottish Renewables

**Committed to working
with Ofgem, DECC and all
stakeholders to resolve
this issue**



Catherine Birkbeck

**Policy Manager, Grid & Markets
Scottish Renewables**