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Andrew Burgess
Associate Partner, Transmission and Distribution Policy
OFGEM
9 Millbank
London
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Our Ref: EN01-003249

03 September 2012

Dear Andrew,

Re: Response to Consultation on Extending the Small Transmission Connected Generator Discount (OFGEM Ref: 101/12)

RES welcomes the opportunity to respond to the OFGEM Consultation on extending the discount for small transmission connected generators set out in Standard Licence Condition C13 beyond 31 March 2013 (“the Small Generator Discount consultation”).

RES is one of the world’s leading independent renewable energy project developers with operations across Europe, North America and Asia-Pacific. RES has been at the forefront of wind energy development since the 1970s and has developed and/or built more than 5GW of wind energy capacity worldwide, including projects in the UK, Ireland, France, Scandinavia and the United States.

RES supports Ofgem’s proposal to pursue policy option a i). The alternatives to this approach appear arbitrary; pursuing either of them without clear and comprehensive supporting evidence would be likely to undermine investor confidence in what is an already challenging financial climate.

RES notes the potential interaction with the outcomes from the CUSC Modification Proposal 213 process and agrees that it is prudent to allow this process to run its course before initiating a complete and thorough review of embedded benefits and charging. RES looks forward to making a full contribution to this process when it commences in 2013.

In response to the specific questions raised in your consultation letter:

- 1) Is it appropriate to extend the small generator discount in SLC C13? – Yes, for the reasons outlined above.
- 2) Is 31 March 2016 an appropriate time to extend to? - In light of the proposed timeline for review and consultation of embedded generation, 31st March 2016 would seem appropriate.
- 3) Do we need to put in place any further measures to avoid further extension of the licence

condition beyond 31 March 2016? - We have not seen any evidence to suggest that limiting flexibility in this manner would benefit any relevant stakeholders.

RES seeks to be clear and constructive in all consultation responses and I hope you find the above consistent with these objectives. If you wish to discuss this response or any other relevant matter, please do not hesitate to contact me.

Yours sincerely,

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