

## **Contents of e-mail received from Solar Securities on 2-Oct-12:**

Please find here my response to your consultation on charging methodology for higher voltage distributed generation.

### Chapter One

Question 1:

Answer:

N/A

Question 2:

Answer:

Information from DNOs I would like to be able to see about EDCM that would be useful for my business concerns the scope that DNOs have to reduce DUoS charges over time.

As the quantity of distributed generators increases, costs for O&M of assets adopted and owned by DNO's will increase, so it is reasonable to assume that the business for DNOs will become more efficient, and so cheaper for generators on a unit cost basis, as we foresee for the O&M of our generators. This would assist the generators in producing information useful for Ofgem in future pricing rounds.

### Chapter Two:

Question 1:

Answer:

Generally the consultation includes the relevant issues and does not omit any relevant issues.

Question 2:

Answer:

Don't Know.

Question 3:

Answer:

No. We are preparing information about this with reference to our existing correspondence with Ofgem concerning the proposed PV Generator at Winnards Perch, Cornwall. The methodology the DNOs propose for calculating these charges is not clear, and is not communicated in sufficient time to the developer to assess their impact.

There should be a cap, particularly for solar PV generators which are very predictable generators (compared to wind turbine generators), so that a maximum charge can be predicted by the developer, for example £0.5/kW of the maximum export capacity contracted in the connection agreement. - for solar generators up to 5MW of maximum export capacity.

Question 4:

Answer:

Yes the calculation of the revenue pot is appropriate.

Regarding DPCR4 - N/A

Regarding the proposed figure for the O&M rate - £0.20/kW (per annum of the Maximum Export Capacity contracted in the Connection Agreement between generator and DNO) is reasonable and appropriate.

Question 5:  
Answer:  
Don't Know.

Question 6:  
Answer:  
No.

Question 7:  
Answer:  
No.

Question 8:  
Answer:  
Yes, subject to a reasonable cap on charges being applied to costs for sole-use assets for small solar PV generators (c/f Chapter 2 Question 3).

Question 9:  
Answer:  
The potential condition is appropriate. A further condition should be made, placing a cap on charges for sole-use assets for small solar PV generators as per above.

Question 10:  
Answer:  
Don't Know.