



Renewable Energy Systems Limited
Beaufort Court, Egg Farm Lane, Kings Langley
Hertfordshire WD4 8LR, United Kingdom
T +44 (0)1923 299 200 F +44 (0)1923 299 299
E info@res-group.com www.res-group.com

James Veaney
OFGEM
9 Millbank
London
SW1P 3GE

Our Ref: EN01-004414

21 February 2014

Dear James,

Re: RES Response to Ofgem open letter consultation on proposed Statement of Works Trial

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 1980s and has developed and/or built more than 7.7GW of wind energy capacity worldwide, including projects in the UK, Ireland, France, Scandinavia and the United States.

RES considers that the issues that have given rise to the need for review of the Statement of Works process reflect a general need to consider the total system in progressing generator connections of all sizes. The evolution of generation connecting at all voltages has blurred the boundaries between transmission system and distribution system. It may be time for generator connection processes and regulation as a whole to be reviewed in the context of total system generation.

In relation to the specific issues raised and the general tenor of the National Grid proposal, RES broadly agrees that, in the vast majority of cases, the Statement of Works process is excessively bureaucratic and time consuming with little added value. For this reason, RES is supportive of the trial that National Grid is proposing but would seek further details on exactly which elements of the process are to be omitted, with specific reference to;

- i) Issuance of offer by DNO to generator
- ii) Acceptance of the DNO connection offer by the distributed generator
- iii) Current practice of DNO requesting statement of works from National Grid with payment of fee passed through to distributed generator
- iv) Issuance of Statement of Works by National Grid to DNO within 28 days.
- v) Submission of modification application by the DNO to National Grid with payment of fee passed through to distributed generator within 90 days of receipt of Statement of Works.
- vi) Issuance of modification offer by National Grid to the DNO within 3 months of receipt of modification application.
- vii) Acceptance of modification offer by the DNO with pass through of associated grid liabilities and possible capital cost to distributed generator.

From the diagram outlined in the Ofgem letter it would appear that NGET are proposing that stages iii) and iv) will be removed from the process as part of the trial. RES would welcome confirmation or clarification of this position with reference to the specific relevant CUSC provisions. If this is indeed the case, then there would seem to be a need for DNOs to;

- formally confirm to relevant small / medium generators their intention to submit a modification application due to transmission system impact
- formally confirm to relevant small / medium generators the fee associated with the modification application that will be payable by the generator
- forewarn relevant small / medium generators that the outcomes of the modification application process may include delay to connection and the requirement to meet NGET user commitment obligations on the DNO's behalf (most DNOs already do this in the standard wording of connection offers).

RES would note that the bulk of the application of the Statement of Works process has been in relation to relevant small power stations in Scotland, for which the initial phase of the process has proven to be almost redundant in light of the extent of the grid congestion that has arisen in recent years. Almost all new generators in Scotland of >1MW and many <1MW are considered to have significant transmission impact.

However, as the profile of the contracted generation background in England and Wales changes so Statement of Works may become more relevant to new generation developments in this part of the country. RES would propose that this trial should include consideration by NGET of instances where the question of significant transmission system impact is marginal, as may be the case in certain areas of England and Wales, to ensure some form of transparent process is retained. This may take the form of a Statement of Works option in the event that the question of transmission system impact is genuinely uncertain.

In relation to the question of commercial and regulatory framework issues arising from the proposed trial, RES would point out that, in addition to the question of compliance with the CUSC as is covered in the open letter consultation, there may be a need for DNOs to revisit the wording that they use in their standard offers in relation to Statement of Works or assessment of transmission system impact more generally.

However, RES would emphasise that the detailed points raised in this response are matters for consideration arising from the roll out of the proposed trial. RES would repeat that it supports the general proposal of the trial and would be willing to provide support to help form further details necessary to give effect to its implementation.

Yours sincerely,



Patrick Smart
UK Grid Connections Manager
E Patrick.Smart@res-ltd.com
T +44 (0) 191 3000 452