



Sir Robert
McALPINE

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Katie McFadden
New Transmission Investment Team
Ofgem
9 Millbank
London
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Our Ref: EN01-005476

20 January 2017

Dear Katie,

Re: Consultation on licence changes to support electricity transmission competition during RIIO-T1

RES is one of the world's leading independent renewable energy companies, working across the globe to develop, construct and operate projects that contribute to our goal of a secure, low carbon and affordable energy future. RES has been an established presence at the forefront of the renewable energy industry for over three decades. Our core activities are the development, design, construction, financing and operation of wind and solar PV projects; we are also active in electricity storage, DSM and transmission markets. Globally, we have built approximately 10GW of renewable energy generation, including almost 10% of the UK's current wind energy capacity and over 1,600 km transmission lines. RES is the sister company to Sir Robert McAlpine, one of the UK's leading building and civil engineering companies, with a distinguished heritage stretching back over 147 years. Sir Robert McAlpine has extensive experience in delivering high quality schemes through the Private Finance Initiative (PFI), Public Private Partnership (PPP) Building Schools for the Future (BSF) and Design, Build, Finance and Operate (DBFO) procurement routes.

We welcome the opportunity to respond to your latest consultation on "licence changes to support electricity transmission competition during RIIO-T1" published on 25 November 2016. Together RES and Sir Robert McAlpine consider ourselves well-placed to comment on the important issues addressed in this consultation and are grateful for the opportunity to respond. We hope you find our comments below of interest and we would be more than happy to assist with any further information, as required. The key points we would like to make are:

- We fully support your proposals and agree that these implement the decisions you have made following your May 2016 consultation.
- We are particularly keen that TO conduct supports competition when it is acting in its role as project developer
- We continue to observe that the arrangements would be better facilitated through a fully Independent System Operator (ISO). The changes proposed are made additionally complicated by the existing industry structure with no ISO.

- We believe it would be prudent to also take the opportunity to make changes to the license conditions that cover the SO to similarly support the proposed competitive process

Our detailed response to your questions is in the attached Appendix. Please note we have marked this confidential.

We would like to re-iterate our support for the timely implementation of the CATO regime and look forward to the next steps in the process and the evolution of a competitive onshore transmission market in Great Britain. We are also happy to clarify any of the points raised in our response to your consultation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Deacon', written over a horizontal line.

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