

Andrew Self
Targeted Charging Review, Energy Systems
Transition
Office Of Gas and Electricity Markets
10 South Colonnade
Canary Wharf
London
E14 4PU

21st December 2018

By e-mail to TCR@Ofgem.gov.uk

21st December 2018

Dear Andrew,

Response To Proposed Modification Of SLC13 (Small Generator Discount)

GreenPower is an experienced independent wind development business based in Alloa in Central Scotland. To date GreenPower has consented over 260 MW of renewable energy capacity, and has a current portfolio of projects in development, construction or operation with a capacity of 135 MW. In recent times, through a joint venture, it acquired, developed, constructed and commissioned the Drumduff Wind Farm site which was awarded the sustainable development award at the Scottish Green Energy Awards earlier in December.

GreenPower currently operate and manage 6 projects all located in Scotland which are both owned by GreenPower and by third parties. One of our projects GreenPower (Carraig Gheal) Ltd is impacted by the Small Generator Discount.

We strongly support the extension of standard licence condition C13 ("SLC C13") from the current end date of 31st March 2019 to a revised end date of 31st March 2021.

Until such time as a fair and balanced system is introduced we believe the Small Generator Discount should also continue beyond 31st March 2021.

The small generator discount currently addresses an imbalance whereby sites in Scotland at the appropriate size (up to 100 MW at 132kV) pay TNUoS charges whereas similar sites in England and Wales do not and in fact can receive embedded benefits. Therefore if the Small Generator Discount was removed this would have a material adverse impact on the viability of sites situated in Scotland, which are already

adversely impacted by the recent significant increase in Zonal charges from the Competition and Markets Authority change in April-18.

As you no doubt appreciate onshore wind is fundamental to the renewal energy market on an ongoing basis and is also the lowest cost renewable producer. It is therefore crucial, to meet the U.K. climate requirements, that the grid charging system is fair and balanced to support this industry.

Should you have any queries please do not hesitate to contact me.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'James Simpson', written in a cursive style.

James Simpson
Finance Director
For and on behalf of GreenPower (International) Ltd