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Dear Richard,

Response to GB Transmission Charging: Use of System Charging Methodology Revised Proposals Consultation

Fred Olsen Renewables Ltd (FORL) is currently one of the largest wind power generating companies in Scotland. Within Scotland we have a range of projects at all stages of development with 75MW currently operational, 95MW under construction, and several hundred MW in advanced stages of planning. With projects in possession of current grid offers, and other projects making approaches for grid offers pre and post BETTA implementation, in both the transmission and distribution networks, FORL are ideally placed to comment on grid connection and transmission charging consultations and the effects these proposals

Comment on the proposals

FORL are disappointed that the most recent consultation has produced proposals that further increase the level of TNUoS charges. We have made previous submissions on the discriminatory effects of these charges for Scottish generation, so will not restate them here.

FORL believe that a 90/10 split to be the most cost reflective and are disappointed that it was not accepted, for what we can only assume to be short term considerations. We note both NGC and Ofgem view that a movement to 90/10 should occur in the medium term. A outline of a timetable towards 90/10 would give us comfort that the current proposals will only be relatively short term. We also believe that a commitment to 100% (as in much of Europe) should be made.

FORL believe that negative demand charges would destabilise the system and should be avoided. The quick fix proposed shows the limitation of a England & Wales model when applied in Scotland. FORL would like to see the charging methodology reviewed again within 2 years to produce a model that is truly cost reflective, non discriminatory and avoids negative demand charges.

Proposed BSUoS liability and its link to BELLA & BEGA registration

FORL was surprised to see changes to the BSUoS party in this consultation, as we feared that it could erode benefits for embedded generation. We take some comfort from the clarification note "Proposed modification to the Balancing Services Use of System Methodology with regard to Embedded generators" issued on the 20th January but feel this change is unnecessary. If an EELPS were to make another party responsible for its output it would do so it could be part of that party's Trading Unit. As such generation would be netted from their demand and we feel it more appropriate that the liability remain with the registrant.

We would request a clear statement that in the final methodology that BSUoS will not fall on EELPS (Embedded Exempt Large Power Stations).

For and on behalf of Fred. Olsen Renewables Limited

N. A. Emery