

SENT BY EMAIL TO: policy@eclareon.com
29 November 2011

Robert Brückmann
Eclareon

Dear Mr Brückmann

Comment on the Great Britain RES Integration National Study Document

Thank you for the opportunity to comment on the above document, which is on the eclareon website. I and my colleague, John Lucas, were interviewed by eclareon when eclareon was compiling this document. I have one particular comment.

On page 36 of the Great Britain National Study, section "Priority dispatching and constraints in the balancing mechanism" it is suggested that because contracts are paid whether or not generators generate then traditional electricity generators have no incentive to generate.

The imbalance settlement arrangements under the Balancing and Settlement Code (BSC) that ELEXON administers, require that any BSC Party, including all licensed generators, that undergenerates against its agreed contracts (including contracts made in the Balancing Mechanism or beforehand) is required to pay an imbalance price for the under generation, the System Buy Price, which is calculated as defined in the BSC.

So there are financial consequences of failing to generate at the contracted volume and the GB National Study should make this clear.

If you have any questions, please do not hesitate to contact me on +44-20-7380-4253 or at steve.wilkin@elexon.co.uk.

Yours sincerely



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cc.

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