



Renewable Energy Systems Limited
Willowbank Business Park, Willowbank Road, Millbrook, Larne
County Antrim, Northern Ireland BT40 2SF, United Kingdom
T +44 (0)28 2826 3320 F +44 (0)28 2826 3330
E info@res-group.com www.res-group.com

Jean Pierre Miura
Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED

Our Ref: EN01-002842

20 January 2012

Dear Mr. Miura,

Re: Response to Treatment of Losses in the SEM Consultation Document

Thank you for the opportunity to respond to the proposals in relation to the application of Transmission Losses in the SEM ("the Consultation Document").

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 1970s and has developed and/or built more than 5GW of wind energy capacity worldwide, including projects in the UK, Ireland, France, Scandinavia and the United States. RES has been developing wind projects on the island of Ireland since the early 1990s, having developed 14 operating wind farms in Northern Ireland and 4 operating wind farms in the Republic of Ireland, totalling over 241MW. RES currently owns or operates over 134MW of wind capacity across the island. In addition, RES has 69MW of wind capacity in development with planning consent in Northern Ireland.

Having reviewed the consultation document and supporting documentation, RES considers that there is insufficient information available on the assumptions and inputs that have fed into the studies in order to be sufficiently comfortable on any conclusions emerging. For example, what power flow assumptions were made in respect of the East – West Interconnector? For this reason RES' responses focuses on the key principles that underpin the operation of a competitive and efficient market place.

RES fully supports the application of transmission losses that represent the best compromise between accuracy, in order to support market efficiency, and stability, in order to encourage effective competition. RES considers that Compressed TLAF values remain the optimum outcome in light of these considerations. RES would also note that, from the information set out in the Consultation Document, the benefits of splitting are unclear. In light of this, RES would support status quo (Option 2.d on page 13) as the way forward for Transmission Losses in the SEM.

I hope you find this response helpful. If you wish to discuss, please do not hesitate to contact me.

Yours sincerely,

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