



8 February 2001

Neal D Rafferty,  
Scottish Executive Energy Division  
Meridian Court  
5 Cadogan Street  
Glasgow G2 6AT

Dear Neal Rafferty

**Renewables Obligation (Scotland) Consultation Paper.**

This is the response of the British Wind Energy Association (BWEA), and its Scottish Branch (SBWEA).

The British Wind Energy Association (BWEA) is the trade and professional association for individuals and companies involved in the UK wind energy market. BWEA currently has more than 140 corporate members involved in all parts of the supply, development and generation chain. Corporate membership of the Association has tripled over the past three years. A list of current members is given at Annexe A.

A member of the Boards of the European Wind Energy Association, Confederation of Renewable Energy Associations and the Scottish Renewables Forum (SRF), BWEA is actively involved in the promotion of renewable energy across the UK.

BWEA welcomes the opportunity to respond to the consultation. Wind energy is both key to achieving the Government's renewable energy targets and one of Scotland's greatest natural assets. We are pleased to be able to offer a number of general comments on the proposals. A number of BWEA member companies with particular interests in Scotland will be commenting directly and in more detail on certain aspects of the consultation.

We recommend that UK-wide consistency should be applied to all aspects of the proposals. For example, ROC trading arrangements and the level of the buy-out price should be uniform across the UK. Similarly, the decision on the exclusion of Energy from Waste should be consistent. BWEA does not support 'Scottish ring-fencing' for any technology.

In the BWEA document *"Planning for wind energy – a guide for regional targets"* published in September 2000, we recommended that 39% of the UK renewables target for onshore wind ('High Wind' scenario, DTI) would come from Scotland. This figure, (derived from a 3:1 resource:demand ratio) is equivalent to an additional 1460MW (installed capacity) of onshore wind by 2010. I have enclosed a copy of the document at appendix B for your information.

Scotland has an excellent wind resource and irrespective of the final percentage target level set for Scotland, has the potential to export significant volumes of electricity to England and Wales and to Northern Ireland. There is a risk that any percentage target set for Scotland may be perceived as a final total. Scotland's renewable resources are extensive and we would welcome affirmation that whichever target is set is but a first stage in achieving further growth in renewables in establishing a truly sustainable energy mix for Scotland.

Regarding the profile of the obligation, BWEA recommended 'early-loading' in the DTI consultation. However, the precise calculations should bear in mind the actual rate of deployment of renewables anticipated over the next few years (cf. DTI target of 5% by 2003) and reflect any revised outputs.

The position of auto-generators in the arrangements needs to be strengthened. Detailed proposals for satisfactory alternative arrangements have been made by the Scottish Renewables Forum and we commend these to you.

BWEA proposes that the ROC threshold is 1kWh. This adjustment would prevent adverse effects on smaller generators (in terms of competitive trading and cash flow). Highly accurate metering and electronic transactions are expected to shortly be widely available, which would avoid compromising system operations.

There is significant potential for head-start development for the nascent domestic wave energy industry in Scotland. BWEA actively encourages support to this sector.

BWEA is presently working with DTI regarding the potential of NFFO contract portability. If this is secured, then we would like to see a similar provision made in Scotland. Please see Appendix C for details.

If we can be of any further assistance in working with the Executive in developing the obligation arrangements, we will be pleased to help. Please contact me in the first instance.

We will be placing this response to the consultation, together with the CREA response and those of other Associations at the BWEA and CREA web-sites [www.bwea.com](http://www.bwea.com)

This site also contains the UK consultation responses which you may care to refer to for more detailed considerations of our view of the UK-wide implications of the proposed obligations.

Yours sincerely



Nick Goodall  
Chief Executive

## **Annexe A: BWEA Corporate members at 8 February 2001**

Acia Engineering Acoustics  
AEA Technology Environment  
Aegis Rubber Engineering  
Aerpac UK Limited  
Aileron Associates Limited  
Ambient Energy Ltd  
Amec Border Wind  
Andaray Engineering Ltd  
Anderson Strathern WS  
Anglesey Wind & Energy Ltd  
B9 Energy (O&M) Ltd  
Baywind Energy Co-operative  
Bendalls Engineering  
Bomel Limited  
Bond Pearce Solicitors  
Bonus Energy A/S  
British Energy plc  
Brodies W.S., Solicitors  
Brown & Root Ltd  
Cambrian Engineering (Cymru) Ltd  
Centre for Economic Renewable Power Delivery  
Centre for Sustainable Energy  
Charles W. Taylor & Sons Ltd  
Chris Blandford Associates  
Clarke Energy Ltd  
CLRC, Rutherford Appleton Laboratory  
Collett Transport Ltd  
Conoco Global Power U.K. Ltd  
Cornwall Light and Power Co Ltd  
Corus Bi-Steel Solutions  
Coupe Foundry Ltd  
CREST  
Cumbria Windfarms Ltd  
Cwmni Gwynt Teg Cyf  
Dansteel Ltd  
DEME Group N.V.  
DERA, Defence Evaluation Research Agency  
DM Energy  
DP Energy Ltd  
DSB Offshore Limited  
Dulas Ltd  
E4environment Limited  
EcoGen Ltd  
Econnect Ltd  
Ecotricity (Nexgen Group)  
Edison Mission Energy Limited  
EMU Environmental Ltd  
Energiekontor (UK) Ltd  
Energy for Sustainable Development  
Energy Unlimited  
Enron Wind  
Enviros Aspinwall  
Ernst & Young  
ESB Power Generation, Renewables  
Fairfield Mabey Ltd  
Farm Energy Ltd  
Fred Olsen Ltd  
Fugro Limited  
Galeforce Wind Turbines (N.I.) Ltd  
Garrad Hassan & Partners Ltd  
GPA Partnership  
Halcrow Group Ltd  
Hammond Suddards Solicitors  
Hedley Purvis  
HR Wallingford  
Hyder Industrial Ltd  
Impax Capital Corporation  
Ingenco Ltd  
IT Power Ltd  
Jackson Production Services Ltd  
Jennings O'Donovan & Partners  
Landscape Design Associates  
Lilley Grant Rush Ltd  
M & N Wind Power Ltd  
Mannesmann Rexroth Ltd  
Manx Wind Energy Services Ltd  
Marlec Engineering Co Ltd  
Mayflower Corporation plc  
Mersey Docks & Harbour Company  
Metoc plc  
Mitsui Babcock Energy Ltd  
Mobil Oil Company Ltd  
National Energy Foundation  
National Engineering Laboratory  
National Wind Power Ltd  
Natural Power Consultants Ltd  
NEG Micon UK Ltd  
Nicholas Grimshaw & Partners  
Nordex Energy GmbH  
North Energy Associates Ltd  
Ocean Resource Ltd  
Oceans Engineering Ltd  
ODE, Offshore Design Engineering  
Oil States Ind. UK Ltd  
Open University  
Orga Suisse S.a.r.l  
PMSS Ltd

PowerGen Renewables Ltd  
Proven Engineering Products Ltd  
R.D.C. Ltd  
Renew North  
Renewable Energy Systems Ltd  
ReSoft Ltd  
Riomay Ltd  
RMB Engineering Services  
Royal and Sunalliance  
SAGE Engineering Ltd  
Scottish Power  
Seacore Ltd  
Shell International Renewables Ltd  
SLP Engineering Ltd  
Stephens Stephenson  
Sustainable Energy Limited  
Titan Environmental Surveys Ltd  
Titan Maritime (UK) Ltd  
TLT Solicitors  
TMEEnvironmental Power  
Tomen Power Corporation UK Ltd  
Triodos Bank  
TXU Europe Power Ltd  
UMIST

Umweltkontor Ireland Ltd  
unit[e]  
University of Durham  
University of the West of England  
Vector Instruments  
Vestas - Danish Wind Technology  
Vortec Energy Ltd  
Wavegen  
West Coast Energy Ltd  
Western Windpower  
Wichita Co. Ltd  
Wind Prospect Ltd  
Windelectric Ltd  
Windfarm Construction & Maintenance  
Ltd. (WCM)  
Windforce Energy Development Ltd  
WindGeneration Ltd  
Windjen Power Limited  
Wind-Ways Ltd  
Wragge & Co  
WRE Generation Ltd  
Wrigleys Solicitors  
Yorkshire Windpower Ltd  
Z.E.F. Ltd

## **Appendix C**

NFFO contract portability – document approved by CREA, November 2000

### 'NFFO portability'

*A meeting of the 'NFFO portability' working group took place on 19 October 2000*

*Participating were John Seed, David Williams, Nick Fleming, Gaynor Hartnell and Gerry Swarbrick with Nick Goodall as CREA Director present, acting as Secretary.*

*The objective of the meeting was agreed as the need to speak with a single industry voice on the subject of NFFO contract portability.*

*It is now understood that OFGEM has passed the decisions, both on overall 'allowability' and 'under which circumstances', back to DTI, who are expected to clarify the issue of project location through the fossil fuel levy regulations, which is within their gift.*

*A number of precedents have been established which lead the working group to believe that further tests are likely to be successful, other than under the following circumstances: a change in technology band or a change in project dnc.*

*The working group recommends (that, rather than seeking unrestricted movement), the following definition.*

***"The developer will be allowed to move the location of a project (other than without a technology band or increasing its dnc) once only and in order to do so, must have secured planning permission at the proposed new site before an application is made to the NPPA. The project must additionally be connected to the grid within England and Wales".***

*"Projects which are relocated to be side by side will either be metered separately or in the case of thermal plant where it may not be technically appropriate to do this, output under the lowest priced NFFO contract would be exhausted before payment under any second or more contracts is made for electricity generated."*