

From: [REDACTED]
Sent: 09 March 2011 15:07
To: Electricity Market Reform
Subject: Response to EMR

Dear Sir or Madam

We are promoting the use of renewable energy to operate major industrial processes and specifically to make zero carbon transport fuels. We understand that the process of using your own renewable electricity to run your own processes is termed Auto Generation.

Auto Generation using renewable energy means that new industrial processes can be established without creating demand for fossil fuel. This helps the UK meet its carbon targets in a period of anticipated growth. Perhaps more importantly the use of Auto Generation reduces reliance on fossil fuels and helps the UK prepare for the time when oil demand outstrips supply.

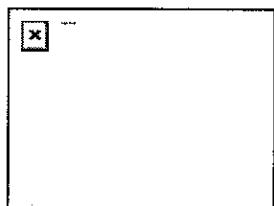
It is not clear to us how the proposed support mechanism helps stand-alone renewable generators. Some communities or industrial applications are located off-grid, where the alternative to an expensive grid connection is a stand-alone system, for example employing a diesel generator. Some of these locations also have excellent renewable energy resources. Due to the expense and low average operating efficiency of stand-alone diesel generators, these locations could benefit greatly from renewable electricity generation, for example in the form of wind-diesel systems. The potential savings of fuel, operating costs and maintenance are large. However, for the time being, such renewable energy schemes still require some subsidy to be economically viable. To encourage the uptake of renewable energy in these circumstances we believe that there should be a support mechanism, whether it is F-FIT, P-FIT, or CfD.

Similarly, renewable energy schemes should not be penalised if the generating capacity is larger than the export potential of the grid connection, and the renewable energy developer uses the surplus electricity for other purposes, when it is available. These uses might include resistive electric heating, production of hydrogen fuel, or production of synthetic hydrocarbon fuels using low-carbon electricity. All these alternative uses would reduce carbon emissions and reduce fossil fuel use.

Kindest Regards

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