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By email to: connections@soni.ltd.uk

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5 April 2016

Dear SONI and NIE

Re: RES Response to the Alternative Connection Application and Offer Process Consultation Paper

Thank you for the opportunity to respond to the proposals in relation to the joint SONI / NIE consultation on the Alternative Connection Application and Offer Process. We wish to confirm our response is non-confidential.

RES is the UK's largest independent renewable energy developer with interests in onshore wind, wave and tidal, offshore, solar, energy storage and demand-side response. A wholly owned UK company at the forefront of innovation and design around the world, RES now employs over 1000 people and has built over 1000MW of wind energy assets in the UK – around 10% of the UK's total installed capacity.

Since developing our first onshore wind farm in Northern Ireland in the early 1990s, RES has subsequently developed and / or constructed 16 onshore wind farms totalling 229MW. This equates over 37% of Northern Ireland's onshore wind capacity. RES currently operates over 83MW of wind capacity across Northern Ireland, has secured planning permission for a further 112MW awaiting construction and has 56MW in the planning system. In addition RES has a very strong onshore wind pipeline of 177MW in Northern Ireland.

Based in Larne, County Antrim, RES' Northern Ireland team comprises 25 staff covering environmental, planning, technical, legal, commercial, project management, construction, operations and administration disciplines.

RES is a member of the Northern Ireland Renewable Industry Group (NIRIG), which is submitting a response to this consultation on its members' behalf. RES endorses the NIRIG response (both the covering letter and answers to the consultation questions) but wish to make the following comments:

1. The connection process prior to August 2015 minimised the number of 'speculative' projects entering the connection process, reduced nugatory workload and prevented capacity hoarding. It had some downsides, such as extending the overall time period to develop a renewable project, but in our view these issues were outweighed by the certainty it brought to the process.
2. The NIE/SONI consultation does not consider the option of reinstating the planning requirement due to the need for license changes through legislative amendments. We think this option should have been included in this consultation and below we have outlined our concerns with the proposed batch process;

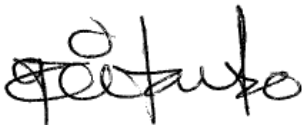
- The proposed batch policy could be undermined in the same way as the connection policy that required planning consent to make a grid connection application, if it is not underpinned by the necessary changes to the System Operator Licenses.
 - It appears from the consultation it will take 2-3 years at best to process applications through the proposed batch process. We note that SONI/NIE have estimated 1.5 years but we believe these timelines are optimistic.
 - With the current uncertainty on the future of renewable projects post NIROCs, it could not be a worse time to introduce a new connection offer process with a high degree of uncertainty.
 - The connection method, cost levels, cost risks and timelines that will eventually result in connection offers from a relatively speculative batch approach will be unviable for many of the renewable projects.
 - The charging policy for shared assets, not covered under clustering, needs further discussion and consultation. This was being discussed under the NIE Project40 work stream. The proposals in the current SONI/NIE consultation are unworkable, partly due to the potential speculative nature of the connection offer process.
 - It is completely non-viable to ask a generator to accept a connection offer on the basis that the price could vary hugely dependent on other offerees actions. A batch connection offer should be issued on the basis of a firm price.
3. Greater work is required on the development of the transmission system to accommodate the existing contracted and future connection applications. We do not believe that undertaking this work as part of a batch process is the appropriate approach. The speculative nature of a large number of the applications underpinning the analysis may lead to what will become incorrect transmission designs.
 4. Regardless of the approach to processing offers there is the requirement to develop the supporting connection policy required to issue connection offers going forward. The majority of these policy changes were being managed in NIE's Project 40 work streams. These include charging for shared connection assets not included under clustering, rebate policy and over-installing capacity.
 5. RES fully support the NIRIG proposal to revert to a connection offer process with planning as a requirement, clustering as the approach for developing shallow transmission assets and a transmission network planning process to facilitate the development of the wider transmission system. The necessary policy changes can be provided through the completion of the Project40 work streams and changes to NIE and SONI licences. There will continue to be the requirement to modify and refine connection policy in the future and providing the Regulator with powers in this area may be more appropriate than having to make regular changes to licences through legislation.
 6. Whatever approach is decided upon, whether it is the batch approach or reinstating the requirement for planning, a thorough legal review will be required to ensure the new connection policies are robust to challenge and implemented within an agreed timescale.
 7. During the period required to make these legislative changes it is important to continue the development of an enduring connection policy and the transmission development plan to ensure offers can then be issued in a timely manner shortly thereafter. The interim measures outlined below can also be implemented to ensure further connection offers are issued;
 - Generators should be allowed to over-install renewable generation on their site above the generator MEC. This includes sites with the same technology and hybrid generation sites. RES do not believe this issue should have been included in this consultation and request that the System Operators make a separate decision on this issue. Connection applications and modification applications which do not increase MEC are, as a matter of law, fundamentally different and accordingly must be treated differently. Over-installing capacity is an efficient use of system and connection assets and will allow additional renewable capacity to be installed and contribute to the 2020 renewable targets. Allowing over-installation for distribution connected

embedded generation needs to be considered and policy provided as part of the managed connections consultation process.

- RES supports the proposal for managed connections to be processed outside of the batch process.
- RES supports the proposal for offers to be issued for any spare capacity at cluster substations, subject to the legal capacity rights of existing generators.
- RES supports the proposal for applications to be processed in areas with available transmission and distribution capacity. These applications should be processed in date order and interactive offers issued where there are multiple applications that could avail of the same spare capacity.
- For the interim measures, to ensure offers are issued in a timely manner and general fairness, these generators should not be issued with FAQ or Output Reduction information. Firm access for all applications should be allocated using the same rules regardless of whether they are made offer through the interim process or the new connection offer process.

If you require any further information in relation to this consultation response please do not hesitate to contact RES.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Claver Chitambo', with a stylized flourish at the end.

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