

Response by Energia to NI Generator Connection Process Consultation

Generator Connection Process: Allocation of Transmission FAQ in N Ireland & ITC Methodology to determine FAQs

1. Introduction

Energia welcomes this opportunity to respond to the above consultation outlining proposals to implement a policy of firm and non-firm access for NI generator connections which follows the initial consultation published 25 October 2011. Energia remains firmly of the view that all existing contracts and accepted offers for firm access or firm capacity must be respected. The revised starting position proposed for the allocation of FAQs marks a considerable improvement in this respect and is welcomed. Nonetheless this consultation response is without prejudice.

2. NIRIG endorsement

Energia is a member of the Northern Ireland Renewable Industry Group (NIRIG) and is fully aware of its response to this consultation. Energia supports the NIRIG response (which is focused exclusively on onshore wind) and agrees with its position and views, principally:

- Welcoming the proposal that all wind farms with an accepted connection offer as of 31st December 2010, including any subsequent modifications or amendments to those accepted connection offers, and windfarms connected by the 31st of March 2012 are considered financially firm.
- Welcoming the revised proposal that connecting generators will be added to the ITC analysis list in order of the date of connection application, instead of the originally proposed planning permission date.
- ➤ Urging that a timetable for the production of constraint reports be agreed between SONI and NIAUR as soon as possible, with a view to publication before June 2013.
- Requesting that additional impact analysis be carried out before any decision is made on the appropriate time for offshore/storage generators to be included in the FAQ analysis. But strongly urging that any decision on offshore and storage (CAES) should not delay the publication of a decision on the other items within this consultation.

3. Energia's views

In its response to the October 2011 consultation Energia made clear its position as follows:

- ➤ Energia has clear contractual rights and legitimate expectations to firm financial access in respect of its Church Hill and Crighshane wind farm projects and this should be fully respected in the decision paper.
- Energia strongly asserts that generator ITC order should be on date of connection offer acceptance, and not connection application date as argued by NIRIG.



- Energia does not consider some form of temporary firm access workable.
- Energia questions the benefit to generators of constraint and curtailment reports that are not consistent on an all island basis.
- ➤ Energia supports and endorses the NIRIG response, save for the additional points or exceptions highlighted in points 1 to 4 above.

Considering the revised proposals in the latest consultation Energia's views can be summarised as follows:

- 1. Energia welcomes the revised starting point proposed by SONI for calculating and allocating FAQs, namely that:
 - All wind farm generators already connected to the distribution or transmission network as of 31 March 2012 are considered financially firm and will have FAQ equal to MEC; and
 - b. All wind farm generators with an accepted connection offer as of 31 December 2010 that are awaiting connection will be considered financially firm and will have FAQ equal to MEC.

Note: it is our view consistent with NIRIG that this should include any subsequent modifications or amendments to those accepted connection offers.

- 2. Regarding the order in which applications are assessed in the ITC model Energia supports the revised SONI proposal for this to be based on "Connection Application Date" as opposed to planning approval date. It is clear that planning approval date is entirely inappropriate for reasons acknowledged in the consultation paper. And whilst Energia had a preference for generator ITC order based on date of connection offer acceptance, we acknowledge the advantage of being aware of the FAQ that is available as part of the connection offer.
- 3. With respect to temporary firm access Energia remains of this view that this would be overly complicated to implement.

4. Other comments

The comments above relate to onshore wind projects only. We have remained silent in this response regarding offshore renewable and compressed air energy storage projects. This is deliberate and should not be misconstrued as indifference. We will be contributing to the NIRIG debate on this issue and we intend to make our views known in response to the NIAUR consultation on offshore connection arrangements closing 30 May 2013. We will endeavour to provide further information to SONI/NIE before then if possible, as well as further detailed comments to supplement this response as required.

