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Eimear Watson SONI Castlereagh House 12 Manse Road Belfast BT6 9RT

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Dear Eimear,

SONI/NIE: Generator Connection Process - Consultation on consenting requirements in advance of application for offshore generation connection

Thank you for the opportunity to respond to this consultation.

First Flight Wind Ltd (FFWL) is a consortium consisting of B9 Energy Offshore Developments Ltd, DONG Energy Power UK (Ltd) and Renewable Energy Systems Ltd (RES), and was awarded the exclusive development rights for an offshore wind farm of up to 600MW off the south east coast of County Down by The Crown Estate in 2012. The issues covered in this consultation document are crucial for the successful development of the offshore wind farm in terms of ensuring that the development programme can progress in a timely manner to contribute to Northern Ireland's 2020 renewables target.

The consultation asks whether we "consider that an Exclusivity Agreement and an Agreement for Lease from The Crown Estate alone should be the required level of consent to allow offshore developers to submit a Connection Application". A subsequent clarification note issued by SONI/NIE confirmed that "submit", above, was intended to mean that such a submission would be acceptable by SONI/NIE to initiate the Connection Application process for an offshore development.

An Exclusivity Agreement from The Crown Estate is a form of 'reservation' over an area of seabed or over seabed rights. A developer gains a contractual commitment that The Crown Estate will not permit any other developer (of the same technology) to use the specified area of seabed for the duration of the Exclusivity Agreement. The Crown Estate may also choose to award Exclusivity Agreements where the precise locations of offshore renewable generation projects are yet to be determined. In such a case, the agreement provides exclusivity over an area of search. This allows a developer to undertake appropriate further environmental and engineering studies. Award of an Exclusivity Agreement is normally made (as in the case of the NI Leasing Round) after a full competitive tender involving considerable pre-tender work by each prospective tenderer.

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As set out in FFWL's response to the Utility Regulator's consultation on Connection Arrangements for Offshore Renewable Generation (March 2013), allowing the opportunity to apply for grid connection in advance of planning consent is necessary for offshore generators as the design of an offshore wind farm (in terms of the location of the offshore platforms, cable corridors and landfalls) and the Environmental Impact Assessment (EIA) process (in terms of the above and all the onshore infrastructure) both require a full understanding of the connection arrangements in advance of a planning application being submitted.

If the wind farm was required to have planning permission before applying for its grid connection, it would require the project to consider a wide consenting envelope, spanning many different connection options across a large geographic area and different configurations of offshore platform design. This would incur significant costs in the EIA process and would require consultees and determining authorities to consider a large range of different options in the EIA process. It is therefore not practical to progress the development of the project without the necessary certainty on grid connection infrastructure provided through the connection application process.

We accept the proposal as the basis of providing threshold conditions for submission of a Connection Application but believe that the conditions should be *either* an Exclusivity Agreement *or* an Agreement for Lease and not, as currently drafted, "*an Exclusivity Agreement <u>and</u> an Agreement for Lease*". The Crown Estate has introduced different arrangements for different technologies in the NI Leasing Round such that the offshore wind project was awarded an Exclusivity Agreement and the tidal projects were awarded Agreements for Leases. The correct wording should therefore be "*either an Exclusivity Agreement <u>or</u> an Agreement for Lease*".

We believe that this position is an equivalent requirement to conditions faced by offshore generators in the rest of the UK.

In relation to the entry to the ITC listing, as set out in our response to SONI's consultation in March 2013 ("Generator Connection Process; Allocation of Transmission FAQs in N Ireland & ITC Methodology to determine FAQs"), we agree it is appropriate that the point of entry to the ITC queue is at the time of the grid Connection Application. This would ensure consistency with onshore applications.

We do not consider that it is possible to split the entry to the ITC queue from the grid Connection Application process itself. Were entry to the ITC queue to be delayed to a time later than as part of the grid Connection Application process, it would be difficult to afford any degree of confidence to the connection offer because any subsequent FAQ calculation process might determine alternative connection arrangements as optimal, thus invalidating the conclusions set out in the original grid connection offer and rendering the consented connection arrangements redundant. This could lead to the need for lengthy additional EIA works and a re-application to the consenting authorities.

Finally, we do not believe that additional impact analysis is required before any decision is made on the appropriate time for offshore generators to be included on the FAQ generation list. Whilst such a study could yield helpful information to all generators on levels of FAQ going forward, we do not believe it changes the rationale for allowing all generators to apply for FAQ at the point of connection application.

Yours sincerely, ΛΛ Michael Harper

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