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15th July 2010

Mr Simon Scott
Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED
Simon.scott@uregni.go.uk

Dear Mr Scott,

Re: Utility Regulator Consultation on Vacant Sites within the NIE Land Bank:

Background on W & R Barnett Ltd:

W & R Barnett Ltd is an international commodity trader and manufacturer of animal feeds. W & R Barnett Ltd is a major user of the Ports of Belfast and Londonderry and an intensive energy user, in particular at its John Thompson & Sons Ltd subsidiary.

Should these sites be offered for lease or sale for power generation or for any other purpose?

W & R Barnett Ltd considers that all three sites have long-term strategic value to Northern Ireland as power generation sites and use should be restricted as such.

In particular the Belfast West site, with its access to deep water berths and the electricity distribution system is of particular strategic value.

The Belfast West Site should be reserved for Biomass power generation. Large scale biomass generation is required to fulfil the DETINI's 40% renewable energy target by 2020. A site with access to deep water berths is essential for a large scale biomass power project in Northern Ireland

W & R Barnett Ltd strongly consider that in the case of the Belfast West site, given its proximity to the primary animal feed importation terminals on the Island of Ireland, that incineration is an inappropriate use.

The sites should be offered separately and rental payments should be minimal until the project has reached an operational stage. Protections should be put in the site contract to ensure best opportunity for development and return to the regulator in the event of failure to develop after a reasonable period of time.

The sites should be offered for long-term lease, with a restrictive user clause and reversion in the event that they cease to be used for power generation by the Lessee.

If, following consideration of responses, the Utility Regulator decides to instruct the release of the land bank site to the market for generation, what criteria should be used in assessing any proposals from bidders?

Pre-conditions: Technical and financial capability to manage such a project and bring it to fruition

W & R Barnett Ltd strongly agree that only proposals from parties intending to build power generation capacity and with the financial and technical resources to credibly deliver such a commitment should be considered.

Respondents are asked if there are any further pre-conditions which proposals should meet before proceeding to the next stage of assessment?

Proposals should be aligned with government energy policy, specifically the draft DETNI Strategic Energy Framework which contains a 40% renewable energy target for 2020 and the draft DETINI Strategic Action Plan which targets 200MW of large scale Biomass generation by 2015.

Assessment Criteria: Rental Income; Consistency with Energy Policy

W & R Barnett Ltd consider that rental income is a valid criterion, but that it should be a secondary criterion. Speculative and/or sub-optimal projects should not be allowed to progress on the grounds of offers of superior rental income.

W & R Barnett Ltd consider that consistency with energy policy should be a primary criterion of assessment

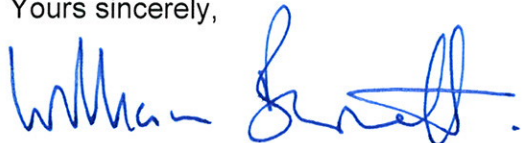
Respondents are asked if there are any further criteria which should be taken into consideration

W & R Barnett Ltd considers that other primary criteria should also include:

- Probability of project completion, with particular reference to the commitment, financial resources and track record of the developers behind the proposal
- Probability of successful operation, including consideration of fuel-sourcing capabilities
- Expansion of competition within thermal power generation sector in Northern Ireland

W & R Barnett Ltd consider that in the case of the Belfast West Site, the Regulator should show strong preference towards projects which benefit from and show intention to use the deep-water berths in the Port of Belfast.

Yours sincerely,



WILLIAM BARNETT