

Robin McCormick
SONI LTD
Castlereagh House
12 Manse Road
Belfast
BT6 9RT

16 February 2018

Our Ref – CNO/E/TH/318

Dear Robin,

**RE: ERE Developments Limited (ERE) – Lisahally Biomass Plant
Derogation Request from SONI Grid Code Conditions CC.S1.2.3.3 and
CC.S1.2.3.4**

Thank you for SONI's submissions in relation to the above derogation request and the co-operation with the appointed Consultants during their technical assessment of the plant. Having considered SONI's comments on the draft report, the Consultants have now completed a final report which is attached, along with the Consultant's responses to SONI's comments.

Having considered all relevant information, the Utility Regulator (the UR) is minded to follow the recommendations outlined in section 4.2 of the report which are as follows:-

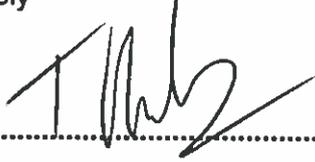
1. There is a need to investigate the capability of using steam turbine bypass to reduce electrical output without adjusting the furnace. This should include a combination of design review, testing (if appropriate) and high level (initially) feasibility of any necessary modifications to establish the capital cost of enabling such functionality.
2. ERE should carry out controlled testing to confirm the level of electrical output reduction and rate of reduction achievable through the furnace controls while maintaining emissions within the prescribed levels. This would be testing similar to the grid connection testing that appears to have been undertaken in 2015, but include emissions data to confirm ramp rates that still enable compliance with the Integrated Pollution Prevention and Control (IPPC) emissions limits.
3. All testing should be independently witnessed and the data recorded submitted to the Authority.
4. ERE should pursue the potential for a derogation against the IPPC permit's emissions limits to enable closer compliance to Grid Code.

The UR considers that the testing outlined is necessary and appropriate to allow full and proper analysis of the derogation request. As the results of the testing will form the basis of the UR's decision on any further derogation beyond 11th May 2018 when the existing Direction expires, it would be imperative that the appropriate testing is

carried out and results are received by the UR prior to 11th April 2018 to allow time for consideration. The UR would expect that SONI engage and co-operate with ERE to facilitate such testing as required.

Prior to reaching a final decision, we would now welcome any final comments in relation to this matter by 23rd February 2018.

Yours sincerely

Signed


Name: Tanya Hedley

Authorised by and on behalf of the Northern Ireland Authority for Utility Regulation