

**ABO Wind NI Ltd**  
Adelaide House  
Hawthorn Business Centre  
Falcon Road  
Belfast  
Northern Ireland  
BT12 6SJ  
Phone: + 44 (0) 28 9038 7068

Ronan McKeown  
Electricity Branch  
Utility Regulator  
Queens House  
14 Queens Street  
Belfast BT1 6ER

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By email: [ronan.mckeown@uregni.gov.uk](mailto:ronan.mckeown@uregni.gov.uk)

Dear Ronan,

**CONSULTATION ON THE INTRODUCTION OF CONTESTABILITY IN CONNECTIONS:  
RESPONSE TO THE UTILITY REGULATOR**

ABO Wind NI Ltd (ABO) is a subsidiary of a group wind farm development company headquartered in Wiesbaden, Germany (ABO Wind AG) which currently operates in 10 countries around Europe and South America. ABO have built and commissioned 70 MW of wind generation plant in the Republic of Ireland (ROI) and 7.5 MW in GB. We constructed the first contestably built distribution connection in ROI and therefore have direct experience of the teething problems that can arise as contestability is introduced. We are active in Northern Ireland where we have an established office in Belfast and are in the planning process or EIS preparation stage for numerous projects.

## ABO RESPONSES TO THE QUESTIONS RAISED IN THE CONSULTATION

	Question	Response
Question 1 - Local Factors for Consideration (Section 4)	Are there any other factors in Northern Ireland not discussed in Section 4 that should be taken into consideration when implementing Contestability?	Section 4.1.2 reference to way-leaving legislation only needs to be updated if compulsory powers for way-leaving and access are to be extended to third parties. Obtaining way-leaves and access rights through agreement with landowners should be contestable immediately without changes to legislation. Legislative changes if considered necessary could occur after the initial introduction of contestability.
Question 2 - Other Jurisdictions (Section 5)	From the Models highlighted in ROI and GB (Section 5), which do you think would present the best option for NI and why?	ABO believe the model adopted in ROI would work effectively. The GB approach of allowing contestable commissioning, ownership and O&M could perhaps also be incorporated at some point in the future. As such, ABO would support the 'hybrid' stepped approach proposed by NIRIG whereby certain elements could be implemented more rapidly. That said, we believe either approach could be made to work. If NIAUR believed that for legislative reasons, the GB approach could be introduced more readily, then we would be happy to support this
Question 3 - OFGEM Review (Section 6)	From the issues highlighted in Ofgem's review (Section 6), are there any that cause a significant threat to contestability being successful in NI?	None cause a significant threat to the introduction of contestability. However, any accreditation scheme, if required, should not unduly delay the effective introduction of contestability. In ROI the DSO/ TSO specify standards, and QA test procedures with appropriate oversight and supervision. The risk of selecting an appropriately qualified / experienced contractor/ICP then rests with the developer. This seems to work well from a practical perspective. However ABO would not be against the introduction of an appropriate accreditation scheme for ICP's provided it isn't unnecessarily onerous, burdensome and thereby anti-competitive. ABO would also expect DNO's to act in good faith, however contestability rules should provide for an appeal process to ensure a level playing field for connection providers.
Question 4 - Response to Call for Evidence (Section 7)	Is there any documentation that has been missed from the list detailed in 7.11.1?	No

Question 5	Are there any other non-contestable works that are not outlined in 7.12 that should be considered?	No
Question 6	Do you agree with the approach described in 7.13.1?	Currently in NI generators have a choice of having O&M charges capitalised as part of the connection costs or charged on an annual basis. We expect this will be the case with the O&M fee for assets constructed contestably and handed over to the DNO
Question 7	Should the connecting party be allowed to choose what contestable elements they wish to undertake?	Yes. This should however be balanced with the need to keep the interface between the developer and DNO / TSO as clear and simple as possible.
Question 8 - Key decisions for consideration (Section 8)	Are there any further policy considerations that have not been considered in 8.1?	No
Question 9	Are there any further practical considerations that have not been considered in 8.2?	<p>Yes, with regard to shortfall protection; the same shortfall protection given by the UoS customer to the development of cluster infrastructure should also be available to contested cluster infrastructure. NIE Statement of Charges 2014 refers to shortfall in recovery of costs as follows;</p> <p><i>7.10 Depending upon the timing of payments, the level of contributions from <b>Authorised Generators</b>, whether <b>Authorised Generators</b> opt for offers based on estimated or out-turn cost chargeable and the actual costs of the construction of the <b>Approved Generation Cluster Infrastructure</b> there may be a shortfall in the recovery of costs (Capital and O&amp;M) by NIE. In such an event, any shortfall shall be recovered by NIE through network charges, by the addition of such costs to the <b>Regulatory Asset Base</b> in respect of capital costs and by an addition to NIE's Opex allowance in respect of O&amp;M costs. Similarly there may also be an over recovery of such costs and in such an event any over recovery shall be repaid by NIE through network charges, by an appropriate reduction in the <b>Regulatory Asset Base</b> in respect of capital costs and</i></p>

		<p>by a reduction to NIE's Opex allowance in respect of O&amp;M costs.</p> <p>The same commitment to cover potential shortfall in recovery of costs (capital &amp; O&amp;M) by NIE if the cluster infrastructure were contested should be available. If this were not the case, then we would consider it as a barrier to the introduction of contestability of shared assets.</p>
Question 10	Are there any further issues around contestability not addressed in this consultation	Yes, a timeline for delivery has not been addressed. A schedule for publication of all policies and documents (in particular functional specifications from NIE/SONI) should be provided.



**Dr Joe Jellie CEng MIEI**

**ABO Wind NI Ltd**