
Brookfield Renewable Ireland

Response to Transmission and Distribution 6th Price Control

Submission Date: 19 May 2017



Caspar Swales
Head of Economics and Efficiencies
Utility Regulator
Queen's House
14 Queen Street
Belfast
BT1 6ER

Date: 19 May 2017

RE: Transmission and Distribution 6th Price Control (RP6)

Dear Sirs,

Brookfield Renewable welcome the opportunity to provide feedback on the draft determination for Transmission and Distribution 6th Price Control (RP6) for NIE Networks Ltd. We support the submission made by NIRIG in response to this consultation including the position that RP6 should be viewed in conjunction with other key and future policies including the NIAUR Review of Electricity Connections Policy, the forthcoming SONI Transmission Development Plan and the expected Department for Economy Energy Strategy.

Brookfield Renewable Ireland is part of Brookfield Renewable Partners L.P., one of the largest publicly-traded pure-play renewable power platforms globally with over 10,700 MW of hydroelectric and wind capacity across 15 power markets and in excess of 470 MW of operating wind capacity with a 200 MW wind development pipeline in Ireland. Our power operating platform employs over 2,200 people globally, including full operating, development, construction oversight, and wholesale power marketing capabilities. In addition to operating a wind portfolio in the Single Electricity Market, Brookfield Renewable also actively trade power across the interconnectors between SEM and BETTA.

Below is a summary of our position in relation to RP6.

[Network Investment to Facilitate Additional Renewables and Provide Firm Access](#)

Wind Energy reduces electricity costs for consumers, improves security of supply and is essential to decarbonising Northern Ireland's electricity system. Following closure of the NIRO, Brookfield and other developers continue to develop wind projects in NI on the basis of current market signals and not government support. It is vital that there is sufficient capacity on the system to accommodate commercially viable renewable projects in the future. Therefore there needs to be a commitment to invest in and improve network capacity in Northern Ireland.

Additionally, there is a significant delay to the transmission reinforcements required to provide firm access for committed renewable generation. This contravenes the SEM Generator Connection Policy Decision Paper (AIP/SEM/114/06) which states that system operators and network owners should be obliged to complete deep reinforcements in a timely manner. The requirement for system operators and network owners to provide firm access is a contractual agreement when connection offers are executed.

Significant development of the electricity network is required to facilitate future commercially viable renewable projects, provide firm quantities to existing generators and provide a grid network that facilitates a competitive electricity market. Under this draft determination, a mechanism to allow for additional investment to increase the capacity and capabilities of the transmission system has been proposed. While this is welcomed, we also note that it is proposed to reduce transmission investment by £9 million per annum relative to current Price Control, RP5. Additionally we note that investment proposals from NIEN to relieve congestion on the 33kV network have been reduced from £10.4m to £8.9m. Such reductions are unwarranted given the lack of investment in the network to date. Continued efforts to improve network capacity need to be prioritised and investment in transmission reinforcement needs to be strategically addressed. RP6 should acknowledge the need for additional investment following development of the SONI Transmission Development Plan and a new Energy Strategy from the Department for Economy.

Innovation to Recover Network Capacity

Maximising utilisation of the existing network will decrease the need for investment in new infrastructure and deliver improved value to electricity consumers. Brookfield fully support the trialling of innovation projects proposed by NIEN in sections 9.36 to 9.38, particularly given the limitations on capacity in the existing network. However we do not agree that £10.48m proposed by NIEN should be reduced to £7.26m. NIEN should be given the necessary funding to develop and integrate these technologies in order to maximise utilisation of the existing grid and deliver improved value to electricity consumers.

We additionally draw attention to the position set out in Brookfield and NIRIG responses to the Electricity Connections Policy that NIE Networks consider an as-built rating review to take account of the multiple margins of safety which are built into ratings assigned to assets. This has the potential to release pre-existing network capacity back into the system for minimal outlay thereby minimising the need for new infrastructure.

Should you require any further information in relation to the points raised above please don't hesitate to get in touch.

Kind regards,

Brookfield

Brookfield Renewable
Brookfield Renewable Ireland Limited
Floor 5, City Quarter
Lapps Quay, Cork, Ireland

Tel: 021 422 3600
Fax: 021 422 3779
www.brookfieldrenewable.com

David O'Sullivan

David O'Sullivan
Regulatory Manager, Ireland

Brookfield Renewable
5th Floor, City Quarter, Lapps Quay, Cork, Ireland, T12 A2XD
T +353 21 422 3680 M +353 86 145 3533
david.osullivan@brookfieldrenewable.com

[By Email]