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Simon Scott
UREGNI
Utility Regulator
Queens House
14 Queens Street Belfast BT1 6ED

ESBI response to Consultation on Vacant Sites within the NIE Land Bank

Dear Mr. Scott:

I attach ESB International (ESBI) response to the above consultation

If you would like to discuss any of the points raised in this response in more detail, please feel free to contact me.

Yours sincerely,

Ramón Cidon Market Strategy Manager Independent Generation ESB International



ESBI's NI electricity business includes 35MW of wind farms under construction in NI, and two wind farms with a further 140MW at the development stage. Additionally, ESBI owns the Coolkeeragh CCGT power plant (400 MW) and the Coolkeeragh OCGT power plant (58 MW).

ESBI is pleased to have this opportunity to provide its views in relation to the consultation on vacant sites within the NIE Land Bank and we consent to the publication of this response paper.

ESBI has restricted its commentary in the consultation response paper to specific questions contained in the document:

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

ESBI is of the opinion that there is no reason why the lands should not be used for appropriate electricity generation or transmission asset. Clearly, the two most important factors to consider are the affects on the customer and electricity infrastructure in NI and security of supply going forward. The philosophy taken should be that the resulting decisions have a positive effect on both customer and the NI electricity infrastructure.

ESBI declares in favour of a wind or peaking plant development that could contribute to achieve NI generation targets proposed in its Strategic Energy Framework (40% of total electricity consumption in Northern Ireland to come from renewable resources)

In order to facilitate this objective, any site with possibilities (connection to the grid, benign environmental impact, water supply,..) should be prioritised to locate a generation project.

In particular new flexible peaking power plants will become increasingly important to meet peaking requirements and offset variability of wind generation

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

ESBI believes that beside economical factors, the following criteria should be included in the decision process:

<u>Environmental Sustainability</u>: promoting efficiency and lower carbon emission projects. Fuel efficiency percentages and CO2 emissions per MWh produced, should be key considerations.

<u>External Impact and security of supply</u>: minimisation of the possible impacts of the project during construction and operation (emissions, noise, odours..) on close generators and population.

In respect of the site adjoining Coolkeeragh power station, ESBI is concerned about the possible additional emissions that could affect the operation and availability of Coolkeeragh CCGT (additional dust burden on air filtration that could accelerate compressor corrosion and maintenance cost), cumulative noise impact and waste management considerations.

In particular, ESBI considers that coal storage should not be considered at this location.

<u>Capacity of the Grid connection</u>: The authorities should further develop a previous analysis in relation to the effects on capacity, constraints and TLAFs on close generators and publish the results.

NI transmission grids are quite congested and last winter, NI consumers suffered occasional supply outages. ESBI is concerned about the possible effects on the running regime of the Coolkeeragh CCGT, particularly if a development project on the adjacent site does not include an upgrade of the electricity network.

<u>Capacity of provision of ancillary services</u>: The capacity of a land bank development project to provide ancillary service to the SO and increase security of supply should be considered.

<u>Safety</u>: The Authorities should prioritise safety. The final promoter should have a proved excellent safety track record. Additionally, the possibility of requiring a COMAH¹ process should be considered.

Further pre-conditions which proposals should meet before proceeding to the next stage of assessment.

ESBI considers that other than the technical and financial capabilities of the project sponsor, the following pre-conditions should be considered:

<u>Environmental Impact:</u> Before any further stage, emissions should be modelled, clarifying the possible impacts on water and air (temperature rise, additional effluents and sediments, noise, emissions,..)

Transmission Signals: Prior to offering these sites for sale, the RAs should identify the affects of these on existing transmission assets, required and future capacity needs and also, the affect on TLAFs to both new and existing generators. Again the underlying philosophy being to enhance NIs electricity infrastructure and to ensure that any future development does not introduce unnecessary constraints.

Given increasing environmental and safety requirements, we suggest that full due diligence be undertaken in relation to these land banks to ensure sufficient remediation has been undertaken and the future developments will not encounter issues during future construction.

Finally, ESBI has reviewed the information provided relating to the different sites proposed. The provision of the following additional information would give a clearer picture of the sites:

¹ COMAH: Control of Major Accident Hazards Regulations 1999.



- Belfast W. site: The status in relation to gas supply at this location.
- Lisahally Tank 11: The works required in relation to connecting pipe.
- Coolkeeragh Power Station adjoining site: The capacity of the current 110kV/275kV networks and plans from SONI for re-inforcement and upgrade investment. Additionally, provision of further information regarding necessary water supply works.