

NIRIG response to NIAUR consultation on Connection Arrangements for Offshore Renewable Generation

24th May 2013

The Northern Ireland Renewables Industry Group (NIRIG) is a joint collaboration between the Irish Wind Energy Association and RenewableUK. NIRIG represents the views of the large and small scale renewable electricity industry in Northern Ireland, providing a conduit for knowledge exchange, policy development support and consensus on best practice between all stakeholders.

NIRIG welcomes the opportunity to respond to the NIAUR consultation on Connection Arrangements for Offshore Renewable Generation and please find below the industry view taken by NIRIG which reflects the views of the large majority of our members.

1. Progress on connection arrangements

NIRIG would recommend that given the complexity and number of issues raised within this consultation, different elements of the consultation should be separated for the purposes of expediting decisions, where possible. For example, the questions surrounding ownership and unbundling could be treated separately from grid connection application issues in order that a degree of certainty can be provided as soon as possible to developers.

2. Options for physical connection arrangements and wider transmission system reinforcements

Developers need to be able to manage the delivery of the connection to the Northern Ireland transmission network, both in terms of design and construction of the connection assets. This is the preferred approach and is based both on the experience gained from the Great Britain market but also the developers' requirement to deliver against milestones that are contractually imposed by The Crown Estate.

Distribution connections should be allowed to build contestably to current standards if the same connections assets are involved. It should be noted that for over three years, NIAUR has been committed to a workstream to review the value of introducing contestability for connections to the electricity network. For 2013/14, NIAUR has now downgraded it to the status of a work-stream, "which we would like to undertake if resources allowed" without consultation or explanation. NIRIG wishes to emphasise that contestability needs to be progressed at both transmission and distribution level as a matter of urgency.

3. Ownership, responsibilities and license arrangements - competitiveness

Whichever transmission ownership arrangements are made, it will be important that Northern Ireland operates under a regime that does not in any way confer a competitive disadvantage for developers here. Any potential contextual difference which does confer a disadvantage in comparison with GB projects must be reflected appropriately in the strike price.

4. Changes to the connection application process and the NI connection queue

To allow developers to design and plan projects appropriately and hence gain access to the relevant connection information, NIRIG is of the view that different processes could apply to onshore and offshore generators with regard to the requirement for planning permission before a connection application can be progressed. This would be to facilitate access to connection information to progress the pre consenting process. In that context NIRIG would support the possibility to progress a connection application without planning permission for offshore/marine projects provided they had secured exclusive development rights from The Crown Estate.

However NIRIG notes the proposal for offshore and marine projects regarding entry to the ITC listing without need for planning consents. This would be different to the current ruleset for onshore connections. We note that this proposal may not pass the test of fairness, non-discriminatory and equitable treatment for all technologies. In light of the potential significant impact of allowing offshore and marine projects to enter the ITC listing before receipt of planning consent, and given the absence of any regulatory impact analysis of this proposal in this consultation, NIRIG would request a further broader consultation on ITC access, addressing the issue based on a rule-set that ensures fair and equitable treatment for all technologies.

Conclusion

NIRIG welcomes the opportunity to comment on this important consultation. The areas outlined above are of particular importance to the renewables industry and have significant implications for the viability of projects. Given the significance of the issues presented, NIRIG would like to request a meeting to discuss our response in more detail.

If you have any questions on the above, please do not hesitate to contact us.