



Electricity Connection Policy Consultation Response

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Change History

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1. Introduction

NRG Solutions specialises in the grid connection of renewable energy projects in the UK and Ireland. The company has provided consultancy expertise on projects ranging from small individual renewable energy generators through to the large tidal, wind and biomass power plants.

We welcome the opportunity to respond to the consultation on Electricity Connection Policy to the Northern Ireland Distribution System.

2. Responses

Section 5 . Connection costs paid by “vulnerable customers”

- (a) Yes, it is appropriate the Utility Regulator, CCNI and NIE divert resources to this line of work.

Section 6 . Connection of micro-generation

- (b) All micro-generation combined is likely to be less than the size of one or two standard sized wind farms therefore the effect on curtailment of wind farms is insignificant.
- (c) The standard for network security should be defined and allowances made for variances on a case by case basis.
- (d) NIE are currently requiring all generators greater than 100kW to have SCADA and comms, however the grid code states the generators between 100kW and 1MW should only be required to have this communication equipment if it “is required for local network reasons”. The SCADA and communications are currently costing £20k, which is an unreasonable additional cost which does not apply to similar size of projects in ROI or GB. This requirement of the grid code is believed to be the most stringent anywhere in the world and the additional cost imposed is a barrier to increased uptake of renewable micro-generation.
- (e) In GB the FIT is designed to encourage sub 5MW generation to deliver 2% of electricity. The NIROC equivalent of the FIT is considerably less economically encouraging therefore if NI is to achieve a similar level of small scale generation, then an additional financial incentive can be provided through subsidised grid connection costs.

Section 7 . Rebates for generators and customers

- (f) Yes it is appropriate that a ten year period for rebates for shared connection assets is adopted and that this is applied to all classes of customers connected to the distribution system to provide a level playing field for all customers.

Section 8 . The definition of “connection assets” and associated costs

- (g) It is recommended that generators connected to the distribution system operate under the same regime as the transmission system, therefore semi shallow connection policy should apply to the distribution system.

Section 9 . Timing of Connection Offers and Connections

- (h) We have worked on over 15 NIE connection offers and none have been delivered in 3 months. The 3 most recent in 2010 have each taken 10 months and the first correspondence with NIE was only after 2.5months.
- (i) Whilst the ESB connection costs seem lower than NIE, they are still able to answer email and phone enquires about a connection in 2/3 working days, whereas in most cases with NIE a response takes weeks.
- (j) NIE are not meeting their license requirements, therefore they must be staffed appropriately to deliver this license requirement. We recommend that NIE produce a public quarterly update on the number of connection offers received and average processing time. The Regulator is negligent if they do not hold NIE accountable for non-compliance of the license requirements.
- (k) NIE receive a sizable income from connection feasibility studies and a percentage of the connection charges for generators goes towards the initial connection offers, now that the number of applications has increased, their income stream has increased, therefore they should be able to comply with their license requirements through increased resources.
- (l) Delivery of connection assets is normally on acceptable timescales, however it would be of assistance to have contractually binding timescales.

Section 11.1 Operations and Maintenance Costs

- (m) O&M costs should be an annual charge as with ESB, this prevents front loading of costs which increases the upfront capital costs of an project, making bank financing more difficult, acting as a barrier to increased levels of renewable micro-generation.

Section 11.3 Contestability

- (n) Contestability would bring competition into the market and lower costs, and should be implemented.