



Sixth Floor · 135 Cannon Street · London · EC4N 5BP
T +44 20 3668 6683 · M + 44 7768 036613 · chris.veal@transmissioninvestment.com

Mr Brian Mulhern
Electricity Directorate, Utility Regulator
Queens House, 14 Queen Street
Belfast BT1 6ED

30th May 2013

Dear Brian,

Connection Arrangements for Offshore Renewable Generation

Transmission Investment LLP is a major player in UK offshore transmission through its joint venture subsidiaries. Through Transmission Capital Partners (TCP) we have been awarded four of the six OFTO licences granted to date and are preferred bidder on a fifth. Through other joint ventures we are either co-developing or assisting in the development of several interconnector projects.

We wish to demonstrate our willingness to take part, as appropriate, in the development, construction and on-going operation, maintenance and eventual decommissioning of offshore renewable generation connections in Northern Ireland.

Our experience to date has shown that generators will be extremely reluctant to pass the responsibility for construction of offshore assets over to a third party. Whilst we believe that we could perform this role, we would not consider it likely that it would be attractive to the offshore wind generator in Northern Ireland at this time. We do however believe that there could be a role for an OFTO-type entity in the operational phase.

The British OFTO regime has shown that in the operational phase OFTOs will finance offshore generation connections at a lower cost of capital than can either be provided by the generator itself or by a regulated onshore network company.

In respect of asset management services of offshore grid connections, TCP is a market leader and can not only perform this task as cost effectively as anyone but can also provide the highest grid connection availability (all our grid connections have in excess of 99% availability as measured by Ofgem's availability incentive measure).

We note that establishing a completely new competitive regime for the appointment of an OFTO-type entity for a single 600MW offshore wind farm may not be justifiable. There are however alternative options for selecting an OFTO, and we would be happy to discuss these with you if you wished to pursue this option further.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Chris Veal".

Chris Veal
Managing Partner