Andrew McCorriston
Northern Ireland Authority for Utility Regulation
Queens House
14 Queens Street
Belfast
BT1 6ER

November 12, 2010

Dear Mr McCorriston,

I am writing on behalf of the Northern Ireland Renewables Industry Group (NIRIG) with regard to the recently published position paper on "Principles of Dispatch and the Design of the Market Schedule in the Trading and Settlement Code". NIRIG jointly represents the interests of RenewableUK and IWEA members in Northern Ireland.

IWEA has prepared a response to the above position paper on behalf of all its members in Ireland and Northern Ireland. NIRIG, as the voice of both IWEA and RenewableUK in Northern Ireland, wishes to fully endorse this response on behalf of Northern Ireland members of each organisation. In particular, NIRIG would wish to emphasise the following key points.

- There is a need for a broad policy pathway that recognises national and international energy and economic policy.
- The development of transmission should be incentivised.
- The market should be stable, the introduction of the concept of potential major change if a material harm threshold is reached is very dangerous.
- Access rules must be clear and meaningful, the terms on which a party accepts a connection offer should not be changed after the investment is made.
- The potential diminution of the effectiveness of support systems through the levels of lost energy identified in the Facilitation of Renewables study must be addressed

In addition to the IWEA response, NIRIG would wish to draw to the attention of the SEM Committee two particular areas of concern.

(a) Developers of wind farms make investment decisions based on the premise of priority dispatch. Should wind farms in Northern Ireland not be dispatched for either constraint or curtailment reasons, wind farm operators will not, under the current NIRO, receive ROCs for the lost generation. Any significant degree of constraint or curtailment of this nature will

impact the viability of operational wind farms and, in addition, will have serious implications for developers considering investing in a new wind farm. This will have obvious consequences in the context of the renewable electricity targets detailed in the Strategic Energy Framework.

(b) Generators in ROI have firm and non-firm connection offers. In general terms, this concept does not exist in Northern Ireland though there is an understanding by developers that precedence is determined by order of connection to the grid. In many cases, investment decisions by NI developers have been made on the basis of unconstrained connection agreements. The introduction of universal or pro rata constraint or curtailment regardless of the connection queue will have a serious consequences for those wind farms which are either operational or in construction.

NIRIG welcomes the opportunity to comment on this position paper. Should you have any queries, do not hesitate to contact me.

Yours sincerely



Gary Connolly
Chairman
NIRIG