

Response from Viridian Power and Energy

To

**CER letters to Eirgrid on East West Interconnection
Route Consultation**

CER 07096a/b

27 July 2007



VPE has been supportive of further East West interconnection for many years. We consider that its benefits electricity producers and consumers by promoting competition, facilitating higher level of renewables penetration¹, and generally enhancing security of supply. VPE spent significant time and resource actively pursuing a Public Private Partnership (PPP) model for the development and ownership of the interconnector, but government did not select this model.

VPE's ability to comment in detail on the proposal is circumscribed by the lack of information available from Eirgrid or the CER on why this is the preferred route and how it might change the available capacity on the system. The report referenced in the CER letters has not been made available. We also note that the transmission forecast statement is usually issued by Eirgrid in July every year, but that this has been delayed in 2007 so we cannot rely on information from this normal source.

VPE have a number of questions relating to the process now being considered by CER for the delivery of the interconnector. These questions are:

1. Will the interconnector deliver security of supply more quickly than CCGT or OCGT options that will be foreclosed by providing the interconnector with priority connection treatment? If this cannot be demonstrated then security of supply could be undermined by the decision.
2. If an interconnector warrants favourable treatment, is Eirgrid the only party that can deliver the interconnector, or could other parties argue that they have been discriminated against?
3. Is Eirgrid the right party to assess their own connection arrangements given that they are competing with other parties for connection capacity to the grid? The lack of transparency on the process does not support their case. Should an independent party review the process to ensure fair treatment of all market participants?

¹ Assuming that the interconnector is run in an appropriate operating mode