



East West Interconnector Project (EWIC)

Quarterly Report

Quarter 4

Progress Overview:

Planning (Ireland):

On September 15th 2009, An Bord Pleanala's Strategic Infrastructure Board granted permission for the location and construction of a converter station in Woodland, Co. Meath and the installation of underground cables, mainly in public roads, to the coast at Rush, Co. Dublin approximately 45 km / 30 miles in length and in the seabed out to the foreshore limit.

EirGrid submitted the planning application for the Interconnector to the Strategic Infrastructure Division of An Bord Pleanala on Tuesday 18th November 2008 and an oral hearing took place in March 2009.

Planning (UK):

The East West Interconnector has been granted planning permission by Flintshire County Council to construct an electricity converter station at Shotton near Deeside (north Wales), which will transform electricity so that it is suitable for transmission by underground and subsea cables.

The cable will come ashore at Barkby Beach, Prestatyn, then continue underground mainly along the route of the A548 roadway. EirGrid has liaised with the authorities over this route to ensure traffic disruption during construction is kept to a minimum.

Licences:

MFA (Marine and Fisheries Agency) Licences

FEPA (Food and Environment Protection Act) and CPA (Coast Protection Act)

These two licences were granted in October 2009 under the Food and Environmental Protection Act 1985 (as amended) and the Coastal Protection Act 1985 Part 2. They licence EirGrid to install the East West Interconnector from the UK High Water Mark to the UK / Ireland Median line which is approx 125km of route.

Environment Agency of Wales Consent

This consent was granted in December 2009 by the Environment Agency of Wales. Consent is required under the Water Resources Act (1991) and the Land Drainage Byelaws to carry out works within 10m of a Flood Defence. EirGrid intends to install the interconnector under the defences using Horizontal Directional Drilling which, as agreed by the Environment Agency, will present minimal risk to the integrity of the



Flood Defences and minimal risk of contamination of any watercourse. The licence is effective from 18th December 2009.

Crown Estate Agreement

This agreement reserves the required strip of approximately 100km by 500m wide of UK Foreshore.

The agreement was obtained in September 2009.

EIB Loan

On 28th September 2009 the EirGrid Ireland Wales electricity link received good news with the granting of a loan of up to €300 million from the European Investment Bank. The loan contract was signed in Dublin Castle by EIB Vice President Plutarchos Sakellaris and the Chief Executive of EirGrid, Dermot Byrne in the presence of the Minister for Energy, Communications and Natural Resources, Mr Eamon Ryan, T.D.

The EIB raises substantial funds on the capital markets which it lends on favourable terms to projects furthering EU policy objectives. Electricity Interconnection between member states in part of the European Energy policy and the planned East West Interconnector between Ireland and Wales is of strategic importance to Europe in helping to create a single European electricity market.

The balance of the EirGrid East West Interconnector will be funded by a combination of further capital investment from commercial banks, EirGrid equity and a €110 million grant from the EU Commission for interconnection.

Overall Progress

Subject to receiving all necessary permissions, consents, etc. the EWIC is scheduled for completion in Q3 2012. So far EirGrid is delighted to report that the project is on target to meet this date.