

Response to Consultation Paper CER/15/284

In relation to your request for comments on the proposed transitional arrangements, specifically the appropriate level of increase in capacity under Policy Measure 2:

A. The definition of the maximum allowable level of increase should be expanded to include a “next whole turbine” qualifier similar to the manner in which it is used in the definition of Installed Capacity Cap per CER/14/047. Rather than the existing proposed definition “..no more than 10% of the current MEC..” it should be restated as “..the higher value of either 110% of the current MEC or the next whole turbine number above 100% of MEC..”.

B. The requirement that the increased capacity should not require a change in connection assets should be relaxed to exclude changes which might be required on the generator side.

Sub 5MW projects constitute a distinct market segment that could assist in meeting the policy objectives set out in CER/15/284. A typical project will have an underutilised MV connection via a 10kV or 20kV line. Despite such projects having an entitlement to over-install in accordance with COPP rules (CER/14/047) they have been slow to do so, presumably because of unfavourable economics; the potential revenue achievable behind the fixed MEC is insufficient to compensate for the capital outlay and other penalties incurred by moving above the 5MW threshold.

The current proposal to allow a 10% increase in MEC addresses this situation but is effective only in respect of projects configured with smaller WTGs (e.g. 6x 0.8MW) and not in the case of projects configured with larger ones (e.g. 3x 1.5MW or 2x 2.3MW). Planning, environmental and technical considerations invariably dictate that new WTGs be similar to the existing installed machines. The logical expansion for the operator of a 2x 2.3MW site is an additional 2.3MW machine bringing installed capacity to 6.9MW as permitted under COPP rules.

Unless the amended definition as proposed above is adopted such a site would be restricted to a revised MEC of 5.06MW. This would represent at best a marginal improvement in the economics of the expansion given that the project, by breaching the 5MW threshold, would lose the favourable treatment accorded to sub 5MW projects under the Grid Code. It would be mandatory to install additional control equipment which would represent a change in connection assets and it is for this reason that point B above is raised.

Rgds,
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