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SEM Committee, c/o Commission for Energy Regulation, The Exchange, Belgard Square North, Tallaght, Dublin 24

## By email to: jburke@cer.ie

25 May 2012

## Re: Response to the "Treatment of Curtailment in Tie-Break situations ", SEM-12-028

Dear SEM Committee members,

We welcome the opportunity to respond to the SEM Committee consultation on the *Treatment of Curtailment in Tie-Break situations.* 

Renewable Energy Int. Limited (REI) is a renewable energy company established in 2009 to focus on developing onshore wind power opportunities across Europe. Based in Belfast and London with operations in Northern Ireland, Poland, Bulgaria, Austria and eastern Europe, REI has extensive experience and a proven track record in the development of wind farms.

As a developer, we require most appropriate decision-making environment which will allow us to anticipate accurately risks associated with the SEM market development which includes, inter alia, Electricity Market Reform in the UK, changes to be introduced by the proposed EU ETM, planning consents reform and grid connection availability – all significant factors largely outside developer control. The introduction of additional risks associated with decision making processes around the level of generation on the system and the setting of government targets potentially places an insurmountable obstacle in the way of investors. To this end, we feel that curtailment will present an additional significant risk to wind farm developers going forward and pro-rata curtailment with full compensation would be preferred to minimise this risk.

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We support the NIRIG response to this consultation and would like to reiterate that curtailment is a critical matter to be addressed to provide a stable policy framework to allow the industry on the island to move forward. We do believe linking curtailment to firm access will result in the required level of new renewable energy not materialising, which will negatively impact the consumer and prevent Northern Ireland from reaching their 2020 renewable targets.

We support the position taken by NIRIG on the options put forward and also support the proposal to vary Option 3. We believe this is a solution that represents an industry compromise position which importantly meets all of what we understand as the SEM Committee key objectives and strikes the right balance between addressing the curtailment issue and enabling the renewables industry advance in line with Government and EU policy and targets. We believe the NIRIG position can be supported by the SEM Committee and the industry as well as importantly providing the least impact on the consumer.

In conclusion we would like to thank the SEM Committee for the opportunity to engage on this issue and to highlight the particular importance of this consultation given the significant implications it has for the viability of the wind sector in Northern Ireland.

Yours sincerely

Gavin Forkan

General Manager, Renewable Energy Int. Ltd

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