Response to the Consultation Paper on GTUoS Tariff Methodology and rates for the Tariff Year 2012/13

16 July 2012

ABO Wind Ireland Ltd (ABO Wind) welcomes the opportunity to comment on the CER GTUoS Tariff Methodology. ABO Wind supports the more detailed response submitted by IWEA but would also like to take this opportunity to make some comments as part of the consultation process.

ABO Wind Ireland Ltd is a subsidiary of a group wind farm development company (ABO Wind AG) which currently operates in 8 countries around Europe and South America. We have built and commissioned 52.5 MW of wind generation plant in the Republic of Ireland over the last 2.5 years and have a further 14.8 MW Gate 2 project is currently under construction. We have ambitions to continue to acquire and construct additional projects in the coming years and have substantial work already done in this regard. We are also active in Northern Ireland where we have staff and an office in Belfast and are in the planning process or EIS preparation stage on 4 different projects.

The proposed options mean, at the very least, increased costs for wind generation plant in RoI with some areas particularly hard hit. When added to the ever increasing charges and uncertainty in the Irish context; recent TLAF increases and the curtailment issue generally; the investment case for Ireland is becoming more difficult to make when compared to competing projects in the ABO Group.
In reality, it’s the uncertainty and potential volatility of this proposal that causes us most concern. All projects are considered on their costs versus incomes, but this complicated methodology and the potential variance of this tariff over the lifetime of the project make one side of the equation very difficult to predict. I urge the RAs to take some time to consider this ‘financial certainty’ issue for projects and seek to provide more clarity on TUsS tariffs into the future in this decision.

Sincerely

Emmet Egan

For and on behalf of ABO Wind