

Meitheal na Gaoithe

Autumn Conference

ESB Networks

16th November 2007



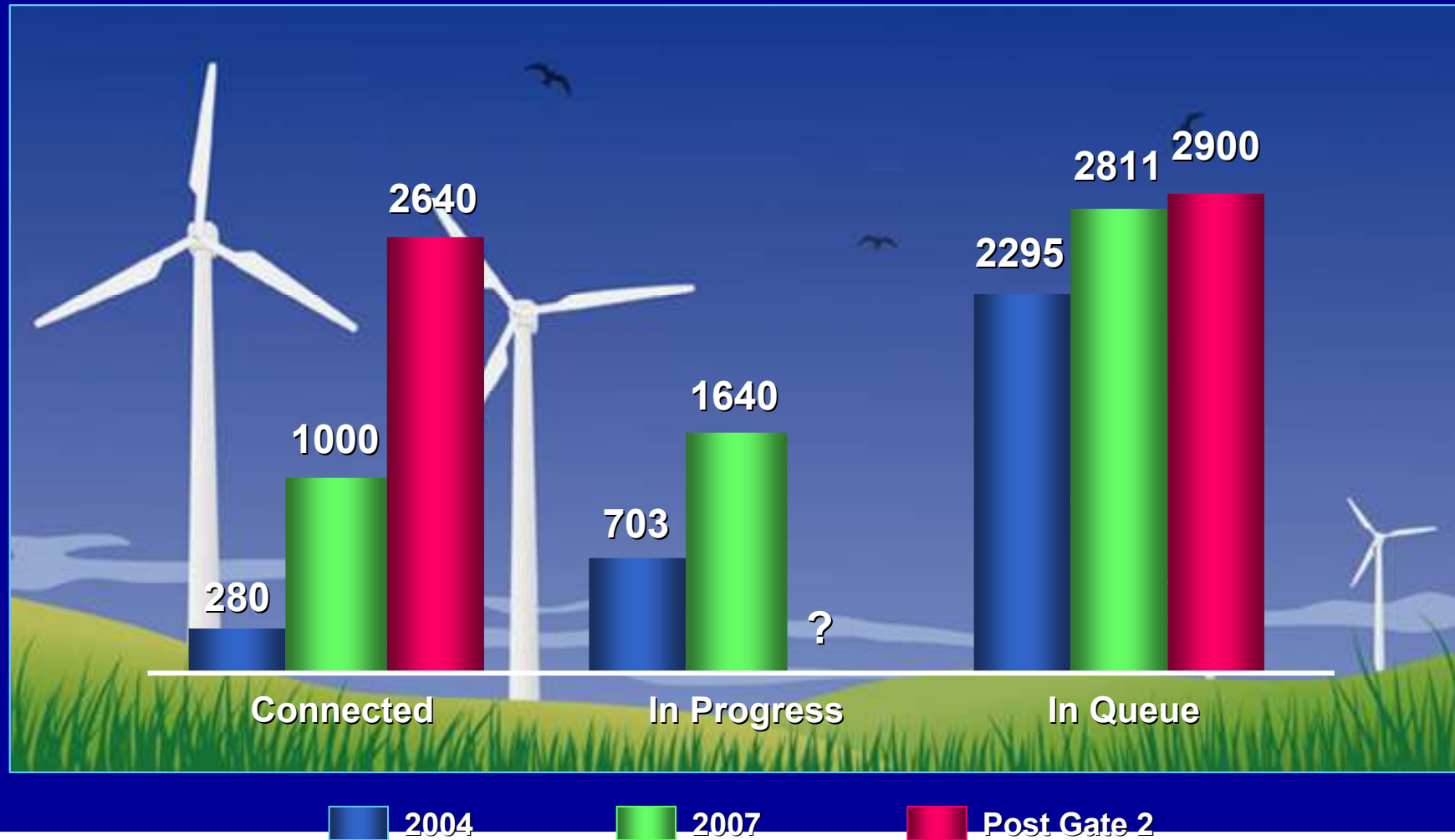
Overview

- **Progress on Wind Connections**
- **Gate 2 Update**
- **Gate 3**
- **Recent Initiatives by ESB Networks**



Progress on Wind Connections

Wind Connections



Progress on Gate 2

Present Position

- Half of Gate 2 Connection Offers have now been issued
- Focus now on remaining applications in Southwest of the country
- Target to issue remaining offers by end 2007
- Disputes have potential to de-rail target times

Gate 2: Range of Costs per MW

- **Group Processing Approach adopted since the end of moratorium**
- **Sequential Processing was not an option**
- **Goal was to minimise the total cost from a system perspective**
- **Too many variables in methods of connection and local circumstances**
- **Not a reliable indicator for future costs**

Gate 2 Time Frames

- **Time Frame concerns the ultimate delivery of connection**
- **Shortest time frame:**
 - Connection could be provided in a matter of months
- **Longest Time Frame, Large cluster of wind farms where significant works required :**
 - Connection could be provided in 3 years +
- **All timeframes assume minimum obstacles being encountered**

Gate 3

- **Consultation process commenced by CER**
- **ESBN & EirGrid have made joint submission to CER on a possible method of implementation**
- **CER now propose to go to Public consultation**
- **Inputs will be invited on all proposals including such aspects as prioritisation**

Construction of Overhead Lines

***Medium Voltage Lines
10 / 20 kV***



38kV Single Pole Lines



110kV Portal Structure Lines



Process of Line Construction

- 1 Line Route Selection and Notification of Landowners
- 2 Planning Process
- 3 Line Design & Landowner consultation process
- 4 Wayleaving
- 5 Construction phase

1 Selection of Route

- Route Selection based on aerial maps and/or local survey
- Avoid Environmentally sensitive locations (SAC's etc.)
- Minimise visual impact to the maximum extent
- Talk to land owners at this stage
- ESB Network welcomes input from wind farm developers.

Objective is to minimise conflicts and select a route that has the best chance of being built

2. Planning Process

- General Planning requirements re O/H lines.
- Required to identify angle locations and general route of line in planning submission (Detailed Design not completed)
- Consultations then sought with local Planning Officer on viability of the route selected
- Planning Notice to be published in relevant newspapers
- Planning Application then lodged.
- Planning Permission granted usually within 3 months
(*If objections then ??????????*)

3. Line Design & Landowner Consultation Process

- Survey Notices are then served on all Landowners
- Profile of line route is completed, and location, size and type of structures identified
- Each landowner is then visited and location of structures identified
- Opportunity provided for minor revisions to be accommodated
- Objective is to secure landowners' consent if possible

4 Wayleaving

- **Once consultations with the landowners have been completed Wayleave notices are then served**
- **Landowners have 7 days to respond in writing**
- **At this stage the attitude of landowners becomes clear and the level and extent of opposition can be gauged**
- **In situations where significant objections are raised further detailed discussions will then take place**
- **ESB Networks welcomes a co-ordinated approach with wind farm developers to resolve land owner issues**

5 Construction Phase

- **At this stage ESN will then proceed with the construction of lines**
- **Where local opposition is significant (e.g. Bantry) time delays can and will arise**
- **Agreed resolutions sought to disputes (Intermediaries are also used)**
- **Legal route will be pursued only as last resort**

Recent Initiatives by ESB Networks

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- **Revision to payment schedule for generators**
- **Second tranche of new standard costs submitted to CER**
- **Re-categorisation to Auto-producer status**
- **Submission to CER on the arrangements for rebates on cable projects**

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Revision to payment schedule for generators

- Industry had contended that the **25% payment in particular places onerous financing requirements on developers.**
- **Although current schedule is justifiable on cost grounds, on 21st May, ESNB submitted to CER a revised schedule as follows:**

Time of Payment	Percentage of Connection Cost
Offer Acceptance	10%
Pre-construction Stage	55%
Final Energisation	35%

Revision to payment schedule for generators

Time of Payment	Percentage of Connection Cost	
	Previous	Proposed
Offer Acceptance	25%	10%
Pre-construction Stage	50%	55%
Final Energisation	25%	35%

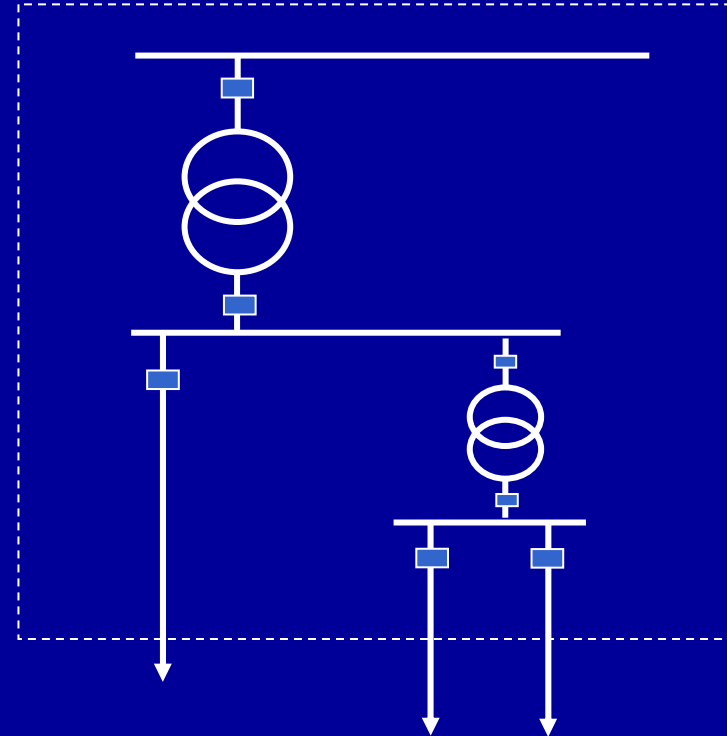
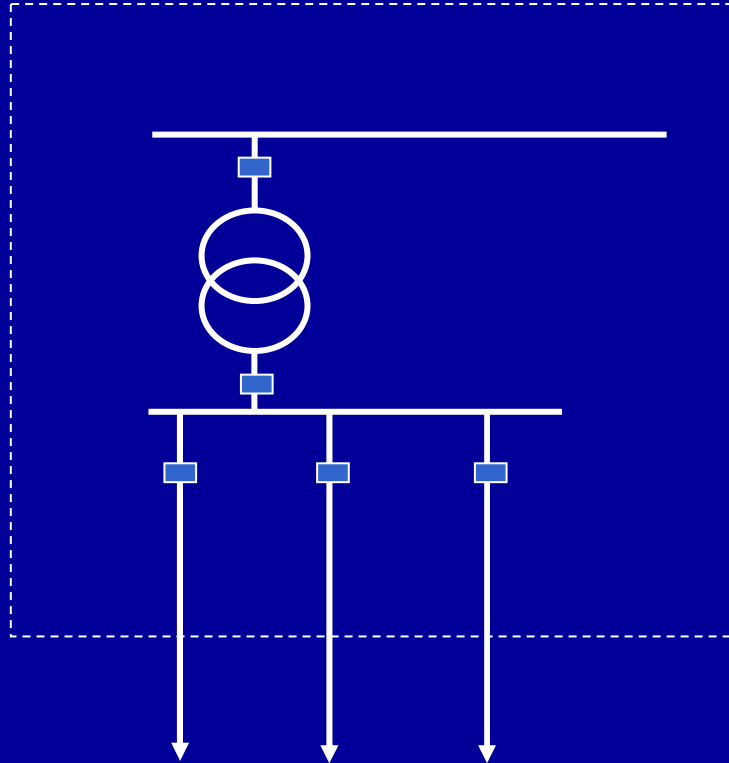
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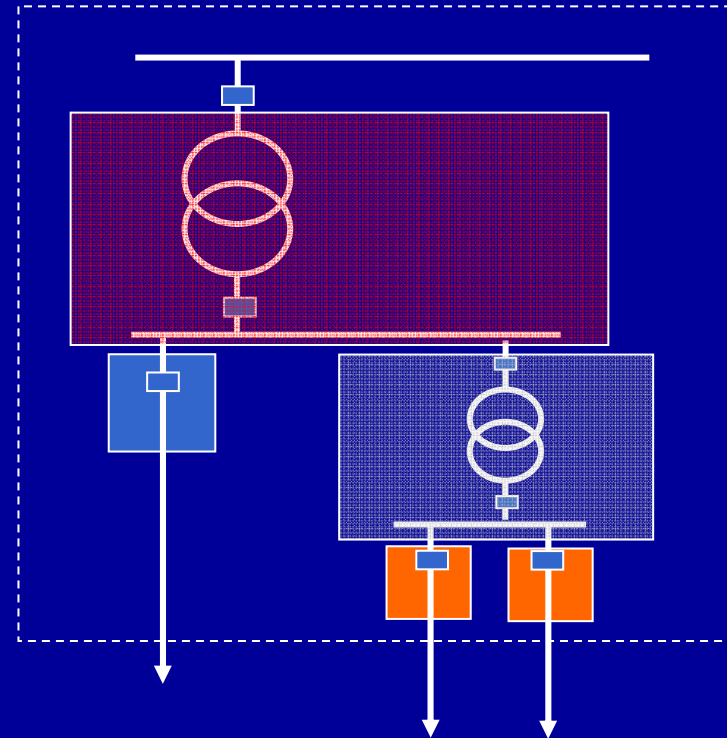
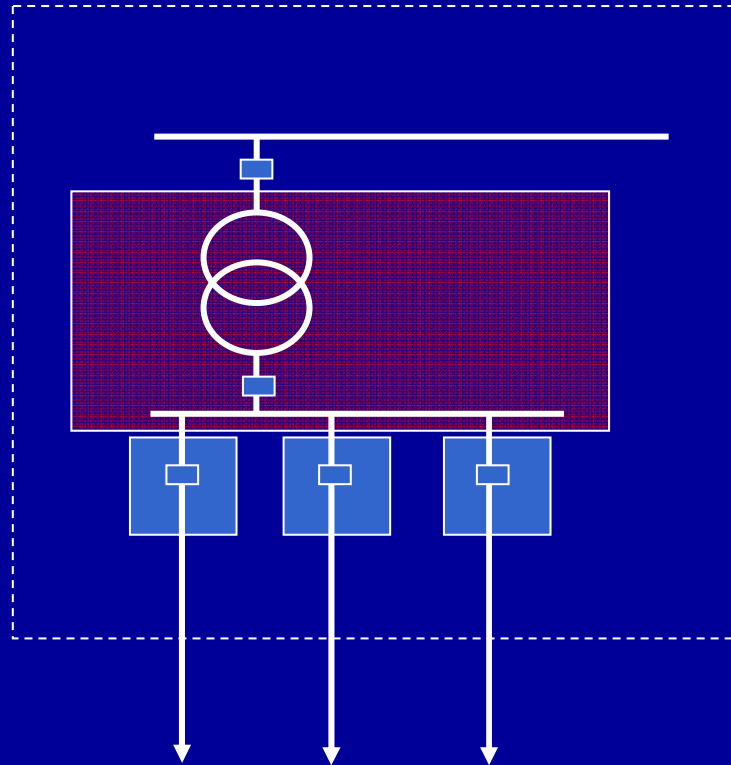
Second Tranche of Standard Costs Submitted to CER

- Many Gate 2 clusters drive the need for new build stations and many variations of configurations possible
- New set of standard costs for DSO components derived to enable “building block” approach to be used
- Costs can be readily assessed by developers
- Submission lodged with CER and will be going to public consultation

Second tranche of new standard costs submitted to CER



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Re-categorisation to Auto-producer status

- **Generators previously paid full DUoS charges for MIC.**
- **Generally MIC significantly smaller than MEC**
- **Revised policy - generators will now be treated as Exporting Autoproducers**
- **No standing charges, unit charges for net import only**

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Policy on Rebates

- Existing Arrangements for rebates based on LCTA, i.e. Overhead Connection
- Industry dissatisfied with this approach
- Submission to CER on the arrangements for rebates on cable projects
- Now proposed that rebate will be based on the actual build

Way Forward

- **ESB Networks is fully committed to facilitating the efficient connection of renewable generation and meeting the government's targets**
- **ESB Networks seeks to build and maintain positive working relationships with all key stakeholders**
- **Meitheal na Gaoithe is regarded as key partner in delivering connections for wind generation**