

LOUGHDERRYDUFF WIND FARM

NORTH WEST WIND LTD.

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To Paul Brandon,
CER.
The Exchange,
Belgard Square North,
Tallaght,
Dublin 24.

11th October 2011.

Dear Sirs,

Re.: Submission to Tie-break consultation. SEM – 11 – 163.

North West Wind Ltd. ("NWWL") owns and operates a 7.65MW wind farm known as Loughderryduff Wind farm. The wind farm is located outside Glenties, Co. Donegal. It is a Gate 1 project with a REFIT 1 Power Purchase Agreement ("PPA"). NWWL is owned by a small group of independent developers.

NWWL entered into a PPA with a licensed supplier and the wind farm went into operation during the Spring of 2008. The PPA is a non-participating generator PPA, in simple terms the power generated does not trade through the Pool and the supplier gets the benefit of the power generated by offsetting same against its demand. The supplier also avoids certain market charges. NWWL did not have the opportunity to enter into a PPA whereby the power generated traded through the Pool. NWWL has recently been informed that it has got a firm grid connection subject to receiving its operational certificate.

As you are aware wind farms will not receive any compensation for constraint even if they have Firm Grid Access, unless they trade the power generated through the pool. For Utilities this is not an issue they can decide which is the most profitable for them in each case, either trade through the pool or bypass the pool and thereby save money on Use of System charges by offsetting the production as negative demand. For independent generators, who has signed or is required to sign a PPA with a Supply company that option does not exist.

Registered Office: 7 Main Street, Howth Co. Dublin
Registration number: 367413
Company Directors: John Gillespie, Inge Buckley,
Conal Shovlin, Peter McArdle

This is clearly a discrimination against smaller independent generators. The consultation paper does not distinguish between different levels of controllable wind farms and proposes to treat all controllable wind farms equally. However as proposed the 5 – 9.9MW wind farms will not be treated equally, unless they also receive compensation in accordance with their level of Firm Grid access.

NWWL firmly believes some mechanism should be found to compensate these independent generators for any lost production due to constraint/ curtailment in line with their level of firm access irrespective if the power generated from that wind farm goes through the Pool. Failing this, if constraining was to continue to apply to NWWL without any compensation, it could result in NWWL defaulting under its loan agreement.

Yours sincerely,



Peter McArdle

Director

North West Wind Ltd.