

**Windsor source response to the Regulator Authorities' Consultation on Tie Breaks in Dispatch
in the Single Electricity Market and Associated Issues, SEM/11/063**

Windsor source welcomes the opportunity to respond to this consultation.

Windsor source is developing a portfolio of wind farms including projects in Gate 3 and in the queue for Gate 4.

Providing appropriate rules for the allocation of constraint and curtailment is an important part of the grid policy framework required for the financing of windfarms. However, the core issue that has to be addressed is not how to allocate constraint and curtailment but how to reduce these inefficiencies. To reduce constraint it is essential that the System Operators, with support from all stakeholders, advance Grid25 works. To minimise curtailment, EirGrid's Facilitation of Renewables program of works should advance without any further delay. There is a need for substantial work to be done in the areas of further interconnection, demand side management and storage to minimise curtailment levels.

We are disappointed in the approach taken by the RAs to both this consultation process and the proposed solution. There has not been sufficient dialogue with industry to date resulting in the three to four year consultation process. This 'silo' approach to consultation, the lack of detail in the consultation paper and the uncertainties resulting from the proposed solution may even result in further consultation before a final decision is reached. It is also very disappointing that the proposed solution has been scoped based on no increase in resources or systems by the TSOs. This is a very short-sighted approach to addressing a critical but complex issue central to Ireland and Northern Ireland reaching our renewable targets.

We support the detailed response by IWEA on issues raised in the RA's decision and consultation paper. Outlined below are some additional comments on some of the issues in the consultation paper.

Constraint Groups and Lists

There is a substantial lack of detail in the RA's paper on the proposals for constraint groups and lists. The information that is provided suggests a very ad-hoc approach to the allocation of constraint between windfarms. It is unclear what projects are included in constraint

groups and these groups are regularly reviewed so projects could move in and out of the groups and therefore a different methodology for the application of constraint applied. We propose that the constraint groups are fixed with EirGrid and SONI constraint modelling used to determine the groups.

The proposals for the constraint group areas does address the historical issue of pre-Gate 3 windfarms receiving higher constraint levels that previously modelled or assumed. However, for Gate 3 windfarms there will be substantially higher constraints but with no protection from future Gates increasing the constraints for Gate 3 windfarms. As Gate 3 windfarms are critical to Ireland achieving its 2020 renewable targets it is important that the capping of constraint levels for Gate 3 windfarms is addressed now. We would propose that the categories are restructured so as the constraints for Gate 3 windfarms are capped.

Compensation for Curtailment

We support IWEA's proposal that all windfarms receive compensation for curtailment, regardless of their firm access status. In section 4.9 of the document the RAs accept that firmness is derived with reference to the physical ability of the network to accommodate output under normal circumstances and not with reference to system operator's decision regarding "curtailment". If only firm generators are provided with compensation for curtailment this appears to be discrimination against non-firm generators especially as the TSOs now have a mechanism/methodology to differentiate between constraint and curtailment. Not wanting to change market systems would not be a justified reason for not addressing this issue.

Modelling of Gate 3 constraints

It is important that the RA's decision on Tie-breaking is reflected in the constraint reports for Gate 3 windfarms. As discussed above, certainty on projects being within or outside of constraint groups is required for the constraint and financing modelling of windfarms.

In the RAs consultation paper it is proposed that windfarms that are not required to be controllable will be included in Gate 3 constraint modelling as negative demand. We support this proposal as it is consistent with the grid code requirements for windfarms of this scale.

It is important that there are no further impediments presented to these windfarms which already face significant monetary obstacles due to their small scale.

Hierarchy

We support IWEA's proposals that renewables have priority dispatch ahead of interconnectors. While we support further interconnection they should be incorporated into the system to help facilitate renewables rather than act as competition for system access.