

ABO Wind In Commission for Energy Regulation

Attn.: Mr. Jamie Burke
By Email to: jburke@cer.ie

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Subject: Response to SEM -12-090 Treatment of Curtailment in Tie-Break Situations

Dear Mr. Burke,

ABO Wind Ireland Ltd welcomes the opportunity to reply to the proposed Decision Paper on the Treatment of Curtailment in Tie-Break Situations. ABO Wind Ireland Ltd is a subsidiary of a group wind farm development company (ABO Wind) which currently operates in eight 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 past 3 years and have a further 15MW Gate 2 project to be commissioned in early 2013. 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 an office in Belfast and are in the planning process or EIS preparation stage on several projects.

The SEM -12- 090 proposed decision paper as currently drafted will have very serious implications generally for the wind industry in Ireland and ABO would like to fully support the very thorough IWEA submission.

Specifically ABO would like to ask the RAs for their reasoning around the retrospective and discrimatory removal of curtailment compensation from <u>one</u> generator type only; that of course being wind. How this proposal can be justified in the absence of any proper curtailment reporting and to a sector who have absolutely no influence on the abatement of that curtailment.

Further, it is wholly unclear why a decision to remove this market compensation should be made in advance of the parameters of the EU Target Model being known and why the basic premise of the Material Harm decision paper (SEM-11-084) seems to have been completely ignored by this proposed decision.

Also, the IWEA 'Option 3b' appeared not to be considered at all. ABO considered this a fair proposal to meet 2020 targets and protect the customer. This proposal was widely supported by the wind industry as it creates a horizon for estimating curtailment levels to those 2020 targets. This cap of the 2020 target is core to the financing of those projects that will need to be built to achieve the 2020 numbers and the open ended approach of this proposed decision is very uncertain and not suitable.

The evolution of an energy system with increasing contributions from renewable energy sources is a long term project, the ultimate aim of which is a more sustainable and predictable end price for the consumer and the economy as a whole. ABO would urge the RAs not to take a short term view on this process and delay this inevitable evolution.

Take the example of Germany; 80m+ inhabitants and although an economically prudent state with huge energy requirements and the need to remain competitive Germany has embarked on a programme for energy transformation; universally called the "Energiewende". The ambition of Germany's energy change of direction is huge, among other key targets it aims to produce 35% of electricity by 2020 from renewables rising to 80% of electricity from renewables by 2050.

As this decision is absolutely key to the development of Ireland's energy future ABO would ask the regulators to consider / reconsider the 'Option 3b' method proposed by IWEA.

Yours sincerely

Ute Schulmeister

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