

ORIEL WINDFARM LIMITED

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Energy Green Paper Submissions
Energy Planning Division
Department of Communications, Marine and Natural Resources
Adelaide Road
Dublin 2

Submission on Green Paper re: *Ensuring the Security of Energy Supply*

Dear Sirs

Oriel Windfarm Limited (Oriel) is a dedicated developer of electricity generation capacity offshore Ireland by harnessing the wind. Its principal centre of interest is in the Northeast Irish Sea. Oriel welcomes the publication of the Green Paper and is pleased to have this opportunity to comment.

In our opinion two fundamental issues now require the urgent and complete re-appraisal of policy regarding the development of the National Grid and the inextricably linked subject of interconnection, namely security of fuel supply and climate change. The increasing uncertainty regarding security of supply of fossil fuels, driven primarily by -

- the peaking of oil extraction; and
- the geographic remoteness and political risk associated with the sources of our gas imports

is now recognized in almost all quarters. In addition, Ireland's recent economic growth linked with the growing appreciation that the present climate change policy of the EU is unlikely on its own to deliver the required results, mean that our present climate change policy is not going to deliver without further measures being taken. Thus, for good economic reasons, we have to face up to changes in our electricity fuel sources as part of the means by which our long term prospects can be sheltered from these problems. Our present approach in these areas is minimalist. Unfortunately the measures they seek to address will, in our opinion, themselves be seen very soon as minimalist also, leaving Ireland with huge structural problems and at a significant competitive disadvantage to those economies that have grasped the nettle. This need not be the case if we can encourage development in those areas where we have a natural advantage, but the time to act is now.

Large Scale Interconnection

Given the favourable wind regime over this island and its adjacent waters and the rapidly evolving technical ability to develop very large scale wind farms at sea, Irish policy should develop so that the exploitation of this resource is facilitated. Large scale interconnection, with Great Britain, and onwards to the European mainland – on a scale of multiples of the 500MW presently proposed to GB will serve two fundamental purposes –

- It will enable the National Grid to tolerate a far higher proportion of wind generation for domestic purposes by eliminating a significant proportion of the requirement for spinning reserve thus securing greater control over fuel supply and reducing emissions; and more importantly
- It will facilitate the export of significant quantities of wind power.

The objective of facilitating export of power should be the prime driver for interconnector development as the evolution of energy storage devices will in time, we believe, go a significant way towards reducing the problems associated with wind power intermittency. In addition it should be noted that recent and on-going developments in cable technology make much larger capacity interconnectors much more feasible - both technically and in cost terms.

Promote Offshore Wind

Secondly, given the significant developments in wind generation technology and scale of generators, coupled with the availability of vast areas of relatively sheltered waters in the Irish Sea in the lee of the island of Ireland, the time has come to encourage the development of large scale wind farms in this area as sources of secure supply under our control and as potentially very significant exporters of power. It must be recognized that this is a pioneering industry with some teething problems that are being solved internationally and that while experience to date has been mixed due to the learning curve involved in parallel with the evolution of the technology many of the problems have been or are in course of being addressed. However given –

- Ireland's geographic position (close to large energy consumers and having its wind resource and East Coast sheltered water regime); and
- The rapid development by neighbouring jurisdictions (especially Great Britain) of structures to enable their economies not only to survive but to flourish in a lower carbon economy forced upon them by the two factors identified in the introductory paragraphs above

it is in our opinion essential for the protection of Ireland's strategic interests to encourage the exploitation of offshore wind here on a timely basis. We believe that a short to medium term provision should be put in place by means of an attractive tariff for offshore wind for an initial period. We support the submission from the Offshore Wind Energy Group in this regard.

We thank you for your attention. The undersigned and the technical team from Oriel are available at your convenience to discuss any of the issues raised by this submission.

Yours sincerely
ORIEL WINDFARM LIMITED

BRIAN BRITTON
Managing Director