

Press Release 10 December 2008

# Commission for Energy Regulation can help make industry more competitive here

# Processing commercial wind applications outside 'Gates' will deliver industries up to €1 million in savings within five years

The Commission for Energy Regulation (CER) can generate vital savings for Irish industry by waiving the obligation for large energy users to apply to the Group Processing Approach for the right to export excess electricity generated on site to the national grid, one of the country's foremost wind energy experts has stated.

Announcing his appointment to the Board of innovative renewable energy company Wind Energy Direct, Lawrence Staudt, who heads the Centre for Renewable Energy at Dundalk Institute of Technology and pioneered the installation of the world's very first large commercial wind turbine on a college campus at Dundalk Institute of Technology, called on the CER to make 'auto-producers' of energy exempt from the process.

Under the current system, any energy producer that delivers more than 500kW could have to wait for up to five years before being cleared by the CER's Group Processing Approach and allowed to export electricity. This, Mr Staudt says, impedes a golden opportunity for them to reduce their costs by up to €1 million within five years and, therefore, enhance competitiveness and protect jobs.

"It is a very simple equation. If the CER waives the necessity for large energy users to go through the Group Processing Approach, they won't have to wait up to five years to be put into a 'Gate'. Indeed, it is already suggested in the grid connection rules that this should be the case, but it has yet to be applied. This will make it far more attractive for them to install their own on-site turbines, which will deliver a significant reduction in energy costs for them at a time when our nation's competitiveness is being eroded year on year. The companies who will benefit from this are the country's largest employers.

"Having to wait for up to five years to get onto the next Gate for renewable energy supply is a deterrent to installing a turbine on site. Financing the installation of such projects will be much easier when banks know that they are exempt from the process. They will have the security of knowing that in the unlikely event that the company ceases operation, the electricity can still be sold onto the National Grid.

"Making auto-producers exempt from the Group Processing Approach could be a vital missing piece in the jig-saw for industry. It should have minimal impact on the ability of wind farms to connect to the grid. The likelihood is that any capacity exported to the national grid would be insignificant compared to the output of a standard wind farm. In fact by producing and consuming electricity on their own sites, large industrial users will free up grid resources."

Mr Staudt, will join WED Chief Executive Dominic Costello and fellow director John Cusack on the Board of Directors. A number of other high profile appointments are due to be made over the coming weeks to the emerging renewable energy company.

## Lawrence Staudt

Larry has been involved with renewable energy since 1978, when he was engineer and then engineering manager of Enertech, a wind turbine company involved with the California wind-farms. He had a renewable energy consulting partnership with Airtricity's Brian Hurley in the 1980s. During the 1990s he worked with ESB on power station engineering projects nationally and internationally, and as a shift engineer in the National Control Centre. A former Chief Executive of the Irish Wind Energy Association and a Vice President of the European Wind Energy Association, he currently heads up the Centre for Renewable Energy at Dundalk IT.

#### **Notes to Editors**

### Wind Energy Direct

Wind Energy Direct Ltd (WED), a wholly Irish owned renewable energy company, will be the first to install and operate "Behind the Meter" electricity in Ireland. WED, which plans to develop 15 turbine operations at suitable locations over the next four years, amounting to a total investment of over €60 million.

WED has already commenced installation of its first multi-million euro project, which will reduce energy costs by up to 15% for large energy users and lower their carbon footprint into the bargain. Suitable operations for WED installations include large manufacturing operations, data centres, hospitals and companies with large heat\refrigeration requirements.

The unique turnkey renewable energy source for manufacturing/retail/agri locations will break the link with spiralling energy costs, saving companies with a typical 4MW installation up to €1 million within five years of installation. This will amount to a saving of over 9,000 tonnes of CO2 per annum and provide enough electricity to power the equivalent of 2236 households.

Wind Energy Direct, which will project manage, finance, develop and maintain all its projects without any cost to the company, is in talks with a number of other large-scale, high-profile operations.

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