

**Summary of Responses to Consultation on
PR5 TSO/TAO
Joint Multi-year Incentive Plan
2023-2027**

April 2023

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Abbreviations

BGE	Bord Gáis Energy
CPP	Committed Project Parameters
CRU	Commission for Regulation of Utilities
DAO	Distribution Asset Owner
DSO	Distribution System Operator
DS3	Delivering a Secure Sustainable Electricity System
ESBN	Electricity Supply Board Networks
IP	Indicative Programme
IPD	Investment Planning and Delivery
NDP	Network Delivery Portfolio
PR5	Price Review 5
PR6	Price Review 6
RES-E	Renewable Energy Source - Electricity
SOEF	Shaping Our Electricity Future
TAO	Transmission Asset Owner
TDP	Transmission Development Plan
TSO	Transmission System Operator
WEI	Wind Energy Ireland

1. Introduction

EirGrid as Transmission System Operator (TSO) and ESB Networks as Transmission Asset Owner (TAO) published a joint paper for consultation on 2nd December 2022¹ seeking interested parties' views on the proposed structure of and approach to enhancing and improving collaboration between the two organisations as contained in the joint multi-year incentives plan 2023-2027. The consultation remained open until 13th January 2023 and included the following consultation question for consideration by stakeholders:

Do you have any comments on the collaboration activities proposed to achieve this aim as part of the TSO/TAO joint multi-year balanced scorecard 2023-2027?

The consultation paper contained a proposed methodology to incentivise, audit and assess TAO/TSO collaboration during 2023-2027 using a multi-year balanced scorecard approach as requested by the Commission for Regulation of Utilities (CRU). It contained the specific targets for the 2023, 2024 and 2025 calendar years (as well as 2026 and 2027 at a high level) under each heading provided for in CRU/20/154², section 7.9. The TAO and TSO will also jointly submit an updated detailed multi-year plan to the CRU following conclusion of the consultation process.

The TSO and TAO take a consultative approach to infrastructure delivery and this paper outlines the TSO and TAO's consideration of and responses to the feedback provided. We would like to take this opportunity to thank and acknowledge the inputs and constructive feedback of the four consultation respondents, from Wind Energy Ireland (WEI), FuturEnergy Ireland, EDF Renewables and Bord Gáis Energy (BGE). In the following sections we summarise and respond to the submissions received.

Public consultation provides important input to TSO/TAO proposals and subsequent decisions and oversight by the CRU. TSO and TAO consult with stakeholders regularly, both separately and together, on a wide range of transmission activities. For practical reasons, consultations are conducted on one specific topic or area of activity at a time. This consultation relates specifically to joint TSO/TAO incentive arrangements. Where the feedback received is within the scope of this consultation, a detailed response is provided. However, TSO and TAO also appreciate that overlapping issues between various consultations and strands of activity are inevitable. The TSO and TAO explain throughout this document where this arises in the feedback and where more information may be found. All other stakeholder feedback received as part of this consultation, that is not specific to the joint incentive arrangements and outside the scope of this response, is brought to the attention of relevant teams in TAO and TSO.

¹ [Joint TAO/TSO PR5 Incentive Multi-Year Plan 2023-2027 Consultation Paper](#)

² [CRU/20/154, PR5 Regulatory Framework, Incentive and Reporting](#)

2. Consultation Responses

The respondents welcomed the opportunity provided by the joint consultation process to comment on the joint TSO/TAO multi-year incentive plan. The TSO and TAO are pleased that there is support for the consultative approach taken to the development of the joint incentive and we will continue to work with our stakeholders as the multi-year plans develop.

Responses to the joint incentive consultation were received from four organisations:

1. Wind Energy Ireland (WEI)
2. FuturEnergy Ireland
3. Bord Gáis Éireann (BGE)
4. EDF Renewables (EDFR)

The following sections provide an overview of the submissions received and our responses to the issues raised.

2.1 Wind Energy Ireland

Comments Received:

With regard to the Proposal Overview, WEI queried why a quantitative target on the overall Network Delivery Portfolio (NDP) is not included as opposed to that which is included for the IP-CPP metric. Clarification should be provided.

“For instance, there are quantitative targets for ‘Project Initiation to CPP’ but it is not clear why the same quantitative targets are not applied for delivery of projects in the NDP according to their programmes?”

Joint Response:

The TSO and TAO are working toward delivering the PR5 requirements outlined by the CRU in CRU/20/154 which includes separate project delivery incentive proposals for the TSO and TAO, in addition to the Joint Incentive metric. The TSO and TAO see value in focusing on specific aspects of the project lifecycle to identify trends and highlight areas of focus towards delivery on our ambitious plans to 2030. This is the reason why the IP-CPP metric was developed for PR5.

In addition, the TSO reports on a detailed quantitative timeliness metric under its Investment Planning and Delivery (IPD) multi-year incentive plan on an annual basis and inherent in this is NDP delivery. The TAO reports on transmission capital budget delivery as part of its own separate TAO incentive arrangements. A text clarification has been included in the joint multi-year plan that such metrics are in place for the TSO and TAO as part of their other incentive arrangements.

Comments Received:

With regard to the Deployment of New Technology, WEI stated that it:

“is not clear why this incentive is only assessed qualitatively when there are DLR and PFC projects outlined in the SOEF roadmap and in the NDP that the System Operators should be incentivised to deliver on in the proposed timeframes. It is not clear from the proposals outlined that these projects will be included in the assessment and how the SOs will be assessed against their completion. Quantitative metrics for their delivery would be more appropriate here.

As outlined in Baringa and TNEI’s ‘Bridging the Gap’ report we believe there are additional new technology solutions that could be rolled out, on top of those identified in SOEF V1.0, and we would welcome clarity on how these will be addressed in the revised SOEF roadmap and the incentive framework”.

Joint Response:

The TSO and TAO note that CRU2022989 has outlined that the deployment of new technology metric be assessed on both a qualitative and a quantitative basis. The companies will therefore outline how the specific targets noted have, or have not, been achieved during the calendar year, and will provide an internal technology report outlining the qualitative aspects of new technology monitoring between the two companies during the year.

With regards to the specific delivery of named technologies (DLR and PFC) the corresponding projects will be delivered in line with their NDP energisation dates for 2023, for which a separate quantitative metric exists in the TSO’s IPD incentive. The joint incentive multi-year plans are reviewed on an annual basis and additional new technologies/projects can be included or substituted where required. An updated version of SOEF is scheduled for publication this year.

Comments Received:

With regard to the Project Initiation to CPP Agreed Phase, WEI stated that:

- We recognise that there may be circumstances outside of the control of the SOs but it would be good to give heavier weighting or more importance to projects that are of larger scale that create more grid capacity or relieve dispatch down. If substitutions occur due to projects being delayed it should only be for on a like for like basis. e.g., if a CPP for a new line is delayed then it should only be substituted with another project of similar scale or one that creates grid capacity, and not with a project of lesser scale. Some questions we would have specifically on this are:

o Is there going to be a limit on the number of substitutions per year?

o If a project is substituted out one year can it be substituted in for another project the following year? Substitution along with 80% being set as the bar for strong performance may make strong performance too easy to achieve.

- “Strong” score, in the range >80%: This along with not having a defined list and being able to swap projects makes a strong score appear easy to achieve.

- Does the 25 project target include IPP new connection projects?

Joint Response:

The TSO and TAO work proactively to progress projects in a timely manner. CPPs are issued and agreed in a timely manner taking customer project schedules and typical project constraints into account.

This feedback is very helpful to illustrate the operation of this incentive. Firstly, the distinction between an ex-post adjustment and a substitution is an important one. An adjustment happens where timelines for scope approval of a project (e.g., a customer project) are outside TAO and TSO control. A substitution allows the companies to respond flexibly in circumstances where we can redeploy effort in an efficient manner. At the time of making the annual plan, the companies identify target projects based on the best available information as to the readiness of the projects (including customer readiness) to progress. This is a positive practice and maintains the focus on the incentive target and process improvements. In general project substitution does follow an approach where projects of similar types and importance are used, this however is not always possible. The overall performance is subject to external auditor review. The TSO and TAO believe this is the appropriate oversight mechanism.

Comments Received:

With regard to the Joint Process Improvement, WEI stated that:

It is welcome that there will be a review of the management of outages to optimise project scheduling and outage times and fit more work into the programme. We propose that the review needs to be similar to lean reviews recently undertaken by ESB Networks for other parts of their business. EirGrid will also be involved in this process.

There is the need for improved work practices to make extended work hours part of business as usual. Current practice results in limited outside of office working hours for outage related works. This is resulting in increased constraints of renewable generation (increased CO₂ and high costs to consumers) and limiting the number of outages that are allowed on the system in a year.

There is also the need for improved transparency on how EirGrid have optimised outages to minimise constraints and reduce carbon emissions. This transparency should be considered as new processes are developed.

Considering the potential benefits of reviewing the outage programme to reduce carbon emissions, and considering the first carbon budget period 2021-2025, there is the need if possible to fast track the programme to allow for some meaningfully improvements within this period.

Regarding the 'Improved Early Engagement Processes for Priority Capital Projects' – is this only for engagement between EirGrid and the TAO or does it include the IPP customer clinics? Improved early engagement would be welcome for IPP customer clinics as well.

Joint Response:

The TSO and TAO advise that the outage process review that will be undertaken will be to continue to promote and maximise the use of allocated outage windows for the projects included in the annual baseline outage plan and to make improvements to deliver on our challenging targets to 2030.

Early Engagement refers to improvements in TSO to TAO collaboration and engagement as part of joint incentive arrangements. Customer engagement on transmission projects is a matter for TSO and this feedback has been forwarded to the TSO Connection Projects team.

Comments Received:

With regard to the Asset and Programme Data Exchange, WEI requests that:

“as well as this information being transmitted nearer to real time between the TAO and TSO, the information is also made available to industry. There are already ongoing issues with outage information not being updated, possibly due to the lack of automation within the IT systems, and this step would be of great benefit to our members”.

Joint Response:

The TSO and TAO advise that there are no plans within PR5 to provide real-time project or outage information to stakeholders however that these system projects may be considered for PR6.

Comments Received:

With regard to the Proposed Assessment Principles, WEI stated:

In addition to our points above to include more quantitative based metrics in the assessment, we would propose that industry feedback and transparency be a central part of the audit process. It would be beneficial if there is more information provided during the internal review and audit stages that industry can comment on. The development of grid infrastructure, new technologies and management of outages are extremely important areas for the wind energy industry, and we would welcome further information and involvement in the incentive framework.

Joint Response:

The joint incentive arrangements are driving innovation in all three areas with specific targets in Deployment of new Technology, Joint Process Improvement and Joint Asset and Programme Data Exchange addressing each of these challenges through a multiyear plan. The plans are published following public consultation. The performance is independently audited and decided upon by the CRU. TSO and TAO believe the existing arrangements currently provide adequate transparency and opportunities for industry feedback.



The TSO and TAO also note the comprehensive reporting framework which is in place for PR5 as part of CRU/20/154. This includes two annual publications, the Joint Annual Electricity Transmission Performance Report and the Investment Planning and Delivery Report. These reports include summary outturn performance relating to incentive outturn. The companies can review the level of detail which is provided in summary format.

2.2 FuturEnergy

Comments Received:

With regard to the network company collaboration, FuturEnergy stated:

“We welcome the more audit-based approach outlined in section 3.1 however the initiative would benefit from calling out specific projects that are included in the EirGrid’s TDP and Shaping Our Electricity Future’s Roadmap (SOEF) and having specific quantitative targets for these in the relevant years that TAO and TSO could then be assessed against.”

Joint Response:

The TSO reports on a detailed quantitative Timeliness and TOP metrics under its Investment Planning and Delivery (IPD) multi-year incentive plan on an annual basis and inherent in this is TAO delivery. TAO report on a quantitative transmission capital budget delivery measure as part of its own separate TAO incentive arrangements. It is therefore not proposed to amend the joint incentive frameworks at this time. A text clarification has been included in the joint incentive multi-year plan that such metrics are in place for the TSO and TAO as part of their other incentives.

Comments Received:

With regard to the network company collaboration, FuturEnergy stated:

We note the proposal to include 25 transmission projects from IP to CPP agreed. We believe this number should be increased given the number of new connections that are being progressed from the number of ECP batch process, the projects that are being progressed under SOEF and the transmission needs outside of that which remain to be addressed.

Joint Response:

The companies believe that the metric is sufficiently stretching as currently designed. The TSO and TAO recognise that this joint metric is accelerating delivery timelines by placing an additional focus on a core aspect of project development. The targets and incentives included in the TSO/TAO joint multi-year plan will evolve over the years and projects will be added at the appropriate time to each of the relevant steps in the framework.

Comments Received:

With regard to the network company collaboration, FuturEnergy stated:

In terms of the weighting, it would be preferable to give heavier weighting or more importance to projects that are of larger scale and create grid capacity or relieve dispatch down, as well as those which improve delivery timelines for new connections.

Joint Response:

The companies believe that the metric is sufficiently stretching as currently designed. TSO’s collaboration with TAO via the joint incentive multi-year plan is to engage on delivering these priorities

in an efficient and effective manner by working together in new ways. The delivery of large-scale projects and grid capacity are important considerations in identifying areas for collaboration and form part of the joint incentive multi-year plan.

Comments Received:

With regard to the network company collaboration, FuturEnergy stated:

On the scoring and ability to substitute projects, we would like to query if there are any limits on substitutions. For example, if a project is substituted out one year can it be substituted back in for another delayed project the following year? Being able to substitute projects without restriction, along with 80% being set as the bar for strong performance, may make strong performance too easy to achieve.

If substitutions occur due to projects being delayed, they should only be for on a like for like basis. e.g., if a CPP for a new overhead line is delayed then it should only be substituted with another project of similar scope or scale or one that creates grid capacity, and not with a project of lesser scale.

Joint Response:

This feedback is very helpful to illustrate the operation of this incentive. Firstly, the distinction between an ex-post adjustment and a substitution is an important one. An adjustment happens where timelines for scope approval of a project (e.g. a customer project) are outside TAO and TSO control. A substitution allows the companies to respond flexibly in circumstances where we can redeploy effort in an efficient manner. At the time of making the annual plan, the companies identify target projects based on the best available information as to the readiness of the projects (including customer readiness) to progress. This is a positive practice and maintains the focus on the incentive target and process improvements. In general project substitution does follow an approach where projects of similar types and importance are used, this however is not always possible. The overall performance is subject to external auditor review. The TSO and TAO believe this is the appropriate oversight mechanism.

Comments Received:

With regard to the network company collaboration, FuturEnergy stated:

We note that the proposed audit process will assess the evidence provided by the TSO and TAO in reference to the relevant metrics for the applicable calendar year and not for the five-year period. We believe there should be some lookahead or audit as part of the process to ensure projects outside of the calendar year are progressing as expected and there are no unexpected delays.

Joint Response:

The TSO and TAO believe that the current method of assessing the calendar year ex post is the most appropriate method of incentive assessment. The multi-year plan format provides stakeholders with useful and relevant information on the company's plans across the metric areas. It would not be possible

to assess future quantitative metrics within an audit environment for which the work has not yet commenced or been completed.

Comments Received:

With regard to the network company collaboration, FuturEnergy stated:

On Joint Process Improvement and Asset and Programme Data Exchange timely exchange of up-to-date information via optimised processes between TSO and TAO is critical and we believe a further outcome should be to improve the sharing of grid information with industry, preferably by way of a live database (as has been proposed previously elsewhere by WEI).

Joint Response:

The TSO and TAO continually seek to improve the quality and accuracy of the infrastructure delivery information that it provides to stakeholders. The companies advise that there are no plans within PR5 to provide real-time project or outage information to stakeholders, however that these large-scale system projects may be considered for PR6.

2.3 BGE

Comments Received:

With regard to their main views of the proposal BGE stated:

- *We believe that 2023 (as Year 3 of the PR5 period) should offer a tangible level of delivery of the solutions to deliver the major capital projects needed for the 2030 targets and mitigate the current issues on the grid to deliver confidence in the likelihood of achievement of the CAP targets on time.*
- *The multi-year incentive at this stage needs to provide confidence to participants that the TSO/ TAO cooperation is focused on the “priority projects” necessary to deliver both the 2030 targets and major infrastructure programmes (such as the arrival of the Celtic Interconnector in 2026).*
- *Within this joint incentive BSC, cooperative action milestones (relating to major capital projects) which are scheduled beyond 2023 such as the plan to develop and implement improved processes for early engagement on priority capital projects for delivery for the remainder of the decade and beyond in 2025 (Section 3.4 Joint Process Improvements, pg. 8), will be too late to deliver for the 2030 targets and certainly for Celtic given the build time these projects can need, and so should be brought forward in the schedule.*
- *The delivery plan for these priority projects (shown in the aspects that feature in the TSO/ TAO joint actions) must provide assurance of their delivery by their deadlines ahead of 2030.*
- *The annual 25 projects in the Project Initiation to CPP Agreed Phase should feature the priority projects which are included (in support of the infrastructure requirements established in the “Shaping Our Electricity Future” roadmap - SOEF), and identify why other priority projects are not included, to give participants a holistic view of which priority projects are going to be delivered within which timelines on the grid.*
- *Given the enduring priority status of the projects, the proposal for an ex-post adjustment of targets should demonstrate a very limited tolerance of shifts in timelines for delivery of capacity projects.*
- *External factors or barriers to delivery for priority projects need to be pre-empted, managed, and addressed at the outset of the project and should be a key point for cooperation between the TSO and TAO to get to 2030.*

Joint Response:

The joint incentive multi-year plan 2023-2027 builds upon the major themes of the multi-year plan 2022-2026 which are calibrated for the companies to facilitate the delivery of ambitious 2030 CAP targets. This includes a focus on the deployment of innovative technologies, the delivery of projects through the infrastructure development lifecycle in a timely manner (IP-CPP metric), the implementation of process improvements and the continued data sharing between the two companies. Process improvements are included at an appropriate point in time to demonstrate material impacts, this includes the early engagement process which has commenced its implementation. Dates outlined in the multi-year plan are not commencement dates.

Detailed progress on the delivery of the specific projects required for PR5 and towards 2030 (PR6) is contained within the TSO's Investment Planning and Delivery (IPD) incentive and is reported externally on a quarterly basis in the TSO's Network Delivery Portfolio (NDP).

Collaboration and joint programme processes between the two companies are focused on the delivery of priority projects through the ongoing joint programme management interface groups. The selection of 25 projects annually within the IP-CP metric provides useful data to support process improvements in the infrastructure agreement delivery phase. The principle of ex-post target adjustment is retained solely for issues outside of the TSO and TAO's control. The aforementioned NDP outlines how all required approved projects are progressing towards their energisation dates.

In summary, the TSO and TAO welcome BGE's main views on the proposals and provide the above noted commentary as additional context.

Comments Received:

With regard to the Project Initiation to CPP Agreed Phase metric BGE stated:

the "Project Initiation to CPP Agreed Phase" area of the joint initiative should show the 25 projects which are decided on for each year of this metric.

The TSO/ TAO must have a priority project list for the next 5 years and it is this list which should fill out the projects in this area for the coming years, and not a completely new list for each year.

We ask the TSO/ TAO to set out the prioritisation methodology used to identify the relevant projects for this area of cooperation and how it caters for the 2030 targets and the alleviation of constraints. The current 5-step approach is insufficient in our view.

We ask that the "Project Initiation to CPP Agreed Phase" metric clearly demonstrate the efficiency improvement and cooperation by the TSO/ TAO to deliver the overall target of 25 projects per year, or at least progress made or barriers to delivery discovered during the year to each project, especially priority projects.

We believe therefore that the Performance measure for this area should be tighter in each Delivery score from the current levels of Strong >80%, 80% > Acceptable >70%, Below Acceptable <70% and we suggest up to an additional 10% on each.

We believe it to be essential that the TSO/ TAO agree an enduring list of priority projects to be delivered from 2023 onwards to meet the 2030 targets, support the major infrastructure programmes (such as Celtic), and alleviating significant constraints and congestion on the grid. These projects can take years to deliver and the TSO/ TAO cooperation must show the focus on these projects for the coming years to deliver on schedule and address any expectations of delay. As outlined above the list should be the result of reviewing projects on the basis of a CBA to

establish where investment is most impactful for the grid to deliver the 2030 expectations and or constraints mitigation, and then is set as the critical delivery path which must be delivered on time and has little room for deviation.

Joint Response:

The TSO publishes its Network Delivery Portfolio (NDP) on its website on a quarterly basis as part of the enhanced PR5 reporting obligations under CRU/20/154. The NDP is the most ambitious programme of works ever undertaken on the transmission system in Ireland. The Q4-2022 NDP includes the projects for completion from now until 2030, which will connect significant volumes of offshore and onshore wind, solar and conventional generation. This work will also reinforce the power system and implement Shaping Our Electricity Future to support the future economic and social development of our country. The NDP is the priority project list and contains the work programmes that the TSO and TAO will implement annually and from which the pool of 25 IP-CPP projects is drawn.

The TSO prioritises the system reinforcement projects that it progresses (via a CPP issued to the TAO) according to those projects that deliver solutions to meet the highest order or most pressing needs identified in the initial assessment and study stages. This is balanced with our obligation to progress customer connection projects for contracted generation and demand customers and the need to maintain security of supply.

Efficiency improvements and general information on progress made on overcoming barriers to delivery will be considered by the TSO and TAO for inclusion in the joint Annual Electricity Transmission Performance Report and/or the Investment Planning and Delivery Report. The TSO will work within the parameters and award scale contained in the annual incentive frameworks as advised by the CRU, most recently as per CRU2022989.

Comments Received:

With regard to the Asset and Programme Data Exchange BGE stated:

We ask that the move in the PR5 period to the digitisation of project management including the transition to more real-time information flows, has the appropriate controls to ensure all projects are ranked accordingly and the resultant reporting considers clear information presentation to stakeholders and consumers to demonstrate delivery of priority projects to alleviate constraints and congestion.

Joint Response:

The TSO and TAO will endeavour to introduce improvements in data exchange during the PR5 period however this is not proposed to provide real time information between both organisations. The companies may consider this aspect in future years. The companies are also working on additional ways to incorporate prioritised programmes into the overall NDP. This work will be communicated to stakeholders and included in reporting at the appropriate time.

Comments Received:

With regard to the Deployment of New Technology metric BGE stated:

We ask however that the timescale for the elements of each item that are scheduled to deliver to the end of the PR5 period, or even into the period of PR6,⁴ are reviewed and shortened where possible to bring maximum system and consumer benefit in the PR5 period.

⁴ Such as the full availability of Composite Crossarm Technology in 2025/26, or production/ installation of the XLPE cable.

Joint Response:

TSO and TAO will implement new technologies on appropriate projects as soon as they have reached the relevant maturity levels and where relevant candidate projects are identified.

Comments Received:

With regard to further comments BGE proposed the inclusion of new areas within in the joint incentive:

Finally on Section 3.6 “Proposed Assessment Principles”, we disagree with Proposal 5 that assessment will be limited to only the applicable calendar year. The delivery under the joint incentive across PR5 needs to demonstrate how the delivery of each year is moving towards the overall CRU reasoning behind the incentive under PR5 which was to “improve collaboration and innovation in delivery of transmission network improvements as well as promoting a whole-of-system approach to the transmission and distribution networks”. We believe therefore that the annual audit assessment should show not just the annual delivery assessed against the overall PR5 reasoning for the incentive but also:

- how it delivers on the priority issues on the network, which in our view is hitting the 2030 CAP targets,*
- the delivery of priority projects and connection of major infrastructure programmes (such as Celtic), and*
- the alleviation of significant constraints and congestion (such as in the Greater Dublin area).*

Otherwise, the confidence to meet the 2030 targets will be eroded as the grid improvements will lag behind the SOEF expectations.

Joint Response:

The TSO and TAO believe that the current method of assessing the calendar year ex post is the most appropriate method of incentive assessment. The multi-year plan format provides stakeholders with useful and relevant information on the companies plans across the metric areas. It would not be possible to assess future quantitative metrics within an audit environment for which the work has not yet commenced or been completed.

We are confident that the full suite of PR5 TSO and TAO incentives identified by CRU/20/154 is aligned to delivering on this ambition. The TSO and TAO cooperation and collaboration is also focused on these strategic goals.

2. 4 EDF Renewables

Comments Received:

With regard to the deployment of new technology EDF Renewables stated that:

The joint TSO-TAO work plan should comprise the full range of future technologies.

Joint Response:

The TSO and TAO will incorporate new technologies into programmes and implementation plans as these technologies are developed. The assessment of the full range of new technologies is facilitated within the TSO's six step development process and in discussion with TAO and will be aligned with the needs arising from our 2030 targets.

Comments Received

With regard to the Clearly Defined Multi-Year Plan, EDF Renewables stated that:

"We would welcome a joint multi-year plan which includes clearly defined milestones and actions to ensure that the 2030 RES-E targets can be achieved. We believe that the work through to 2030 should be focused on resolving the current challenges which include:

- o The need for network reinforcements to enable new generator connections.*
- o Constraint and curtailment of generation due to grid limitations.*
- o Connecting both existing and future pipeline projects within required timescales.*
- o Increasing grid capacity to match future increased levels of electricity demand and generation.*
- o Building backbone infrastructure projects for post-2030.*
- o Introducing innovative technologies which enable smart use of the grid.*

Joint Response:

The TSO and TAO believe that the current joint incentive plan is sufficiently detailed to deliver on the stated aims of promoting efficiencies through enhanced collaboration between the two organisations. The suite of incentives across the TSO and /or the TAO address the majority of activities noted above.

3. Conclusion

The TSO and TAO would like to thank all those who responded to this consultation, which was specifically to receive feedback on our joint multi-year plans for 2023-2027 as set out in the consultation paper from December 2022.

All responses were reviewed and both organisations agree that having considered the responses received it is proposed to include a number of amendments in the multi-year plan that was published for consultation. The first amendment cross references the TSO's timeliness metric which is a part of the TSO's Investment Planning and Delivery (IPD) incentive, the second is the inclusion of a heading for the composite cross arm technology target, for clarity, in the matrix contained in appendix 1 of the document. The third amendment is the inclusion of the completion of a Statcom technology project in 2023 in appendix 1 of the document and the fourth amendment is the amendment of the series compensation target in 2025, also in appendix 1 of the document.

In addition, relevant feedback will be noted and will be considered for our future plans, as we continue to enhance our joint multi-year plan.