TSO RES-E Multi-Year Plan

Consultation Response Paper

June 2023



The Oval, 160 Shelbourne Road, Ballsbridge, Dublin D04 FW28 Telephone: +353 1 677 1700 | www.eirgrid.ie

Contents

Contents		2
1	Introduction	3
2	Consultation Responses	3
2.1.1	Energia Comments	3
2.1.2	Wind Energy Ireland Comments	4
2.1.3	EDF Renewables Comments	5

COPYRIGHT © EirGrid

All rights reserved. No part of this work may be modified or reproduced or copied in any form or by means - graphic, electronic or mechanical, including photocopying, recording, taping or information and retrieval system, or used for any purpose other than its designated purpose, without the written permission of EirGrid

1 Introduction

EirGrid, in its capacity as Transmission System Operator (TSO), published a consultation paper on the TSO RES-E incentive multi-year plan for the period 2023-2027¹. The consultation on the proposed multi-year plan was open from 10 March 2023 to 31 March 2023. This paper responds to the feedback received as part of the consultation.

The Commission for Regulation of Utilities (CRU), as per Section 7.12 of its PR5 Regulatory Framework, Incentives and Reporting Decision Paper $(CRU/20/154)^2$, requires the TSO to publish a detailed multi-year plan for 2023-2025, as well as a high-level plan for 2026-2027, for consultation.

This document summarises the responses received and outlines EirGrid's response to the feedback. Some comments received related to matters outside the scope of the consultation and as a result, these comments have not been addressed in this consultation response document. Where comments are out of scope, they have been relayed back to the relevant part of the EirGrid business for consideration.

We would like to thank all those who took the time to respond to this consultation. All responses received have been reviewed and considered. A total of three responses were received from the following organisations:

- Energia
- Wind Energy Ireland (WEI)
- EDF Renewables (EDFR)

2 Consultation Responses

This section summarises the comments received from participants

2.1 Energia

2.1.1 Energia Comments

Energia noted in their response that the targets included in the RES-E multi-year plan have not updated as of yet to the level of ambition outlined in the 2023 Climate Action Plan. Specifically, Energia noted that the 5GW target for Offshore, 9GW target for onshore wind and 8GW of Solar, which combine to a total of 22GW of grid installed capacity by 2030.

Energia requested that the multi-year plan be updated to incorporate these targets as a matter of urgency to provide the certainty that industry requires in relation to the grid capacity required to realise the increased ambition.

EirGrid Response

The TSO acknowledges the comments from Energia in relation to the targets in the RES-E multi-year plan. The CRU set out the RES-E targets for EirGrid in the PR5 Regulatory Framework, Incentive and Reporting decision paper (CRU/20/154)² for the PR5 period and the targets detailed in the multi-year plan relate directly to those directed by the CRU. The RES-E multi-year plan is aligned with the deliverables in the Operational Policy Roadmap 2023-2030³. Key drivers of this roadmap include demand growth, network

¹ TSO RES-E Multi-Year Plan 2023-2027 Consultation Paper

² PR5 Regulatory Framework, Incentives and Reporting

³ Operational Policy Roadmap 2023-2030

evolution, generation capacity growth and Government targets of achieving up to 80% of power from renewable sources by 2030. The Operation Policy Roadmap is expected to be updated in late 2024, future iterations of the roadmap will take account of the ambitions of the latest Climate Action Plan.

2.2 Wind Energy Ireland (WEI)

2.2.1 WEI Comments

WEI support the inclusion of a RES-E incentive for EirGrid as part of the PR5 framework. WEI noted in their response that given the latest Climate Action Plan emissions targets, which focus on the need to reduce cumulative emissions as quick as possible, (the updated 80% RES-E target for 2030 is a means to an end in delivering this) it appears that the targets set out in this plan will not put us on the right track to achieve these legally binding targets. WEI suggested that the plan should consider how RES-E targets will reduce cumulative emissions this decade as that's more in line with Government policy.

EirGrid Response

The TSO acknowledges the feedback from Wind Energy Ireland on the RES-E multi-year plan. The CRU introduced a new incentive for RES-E for the PR5 period, as per section 7.2 of CRU/20/154, which sets out a target of an increase in RES-E to 55% by 2025. In December 2022, EirGrid and SONI published the Operational Policy Roadmap for 2023-2030⁴ which outlines key actions that will be required to deliver on achieving up to 80% of power from renewable sources by 2030. The RES-E incentive multi-year plan is aligned with the deliverables and ambition set out in the Operational Policy Roadmap 2023-2030.

2.2.2 WEI Comments

WEI requested more detail on what exactly constitutes renewable generation for the purpose of this reporting and incentive mechanism.

EirGrid Response

Renewable generation is described by EirGrid relates to wind, solar, hydro and other renewables which includes, renewable CHP, bio energy and ocean energy. Further detail can be found in the System and Renewable Reports published on the EirGrid website⁵.

2.2.3 WEI Comments

WEI noted in their response, they would like more detail on operational policy workstreams and the interdependencies that drive increases in SNSP levels, reductions in Min Gen, and ultimately increases in RES-E. WEI provided the following example, what item is on the critical path and how do potential delays in specific deliverables impact others. WEI suggested that a Gantt chart setting this out would be very useful for industry.

EirGrid Response

Over the duration of the PR5 period, the TSO will seek to implement measures that ultimately contribute to the achievement of our 2030 RES-E targets and lay the foundation for achieving net zero carbon emissions by 2050. The measures the TSO will take for the period 2023-2025 are designing to facilitate the increasing penetration of renewables, with a specific focus on the changes required to ensure that operational policies and procedures align with the wider efforts to make the electricity grid stronger and more flexible. The Operational Policy Roadmap 2023-2030 provides further detail on implementation of the workstreams outlined in the RES-E multi-year plan.

⁴ Operational Policy Roadmap 2023-2030

⁵ System and Renewable Report, EirGridGroup.com

Shaping Our Electricity Future (SOEF) Roadmap⁶ was published by EirGrid and SONI in 2021, with an updated roadmap expected to be published in 2023. There is a multi-faceted nature to the SOEF Operations workstreams in that we need to develop 1. operational policy, 2. new standards and services, 3. operational tools and 4. enablement of new technologies in parallel to achieve our RES-E targets.

In particular the development of operational policy (such as increases in SNSP and reductions in the minimum number of conventional units) requires the delivery of low carbon inertia services onto the power system, new models and modelling capability to capture the evolving characteristics and behaviour of the power system and new control centre tools to allow us to manage the power system of the future. There is no single critical path, rather all these capabilities (and more) are required to allow us to evolve operational policy. For further detail on dependencies, please refer to the Operational Policy Roadmap 2023 to 2030.

2.3 EDF Renewables (EDFR)

2.3.1 EDFR Comments

EDFR noted in their response they believe that a range of renewable technologies will be critical to Ireland meeting the 2030 RES-E targets. EDFR noted they would urge EirGrid to facilitate the connection of a wide range of renewable technologies to the grid, including both on and offshore wind and solar PV generation, hydrogen and other supportive technologies such as interconnection and battery storage.

EirGrid Response

The TSO acknowledges the comments from EDFR in relation to renewable technologies. EirGrid and SONI publish an Annual Innovation Report detailing programmes of work, two critical programmes that EirGrid and SONI believe we need to progress now in order to position ourselves to achieve our future ambition effectively are Hydrogen and Flexible Network Strategy. The Hydrogen programme will further examine the role of hydrogen in the all-island energy system as a whole and specifically its potential to enable deep energy system sector integration. The Flexible Network Strategy programme is focused on the investigation and utilisation of flexible network technologies. The Annual Innovation Report for 2022⁷ includes progress so far and the next steps identified for these programmes.

⁶ Shaping Our Electricity Roadmap

⁷ Annual Innovation Report 2022