

AIEA RESPONSE
CER - Arrangements for Micro Generation
Consultation Paper
CER/06/190

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Prepared by
Peter Keavney
Galway Energy Agency
City Hall
Galway
Ireland
E: info@aiea.ie
W: ww.aiea.ie



Reviewed and approved by:

- Belfast Energy Agency
- Carlow/Kilkenny Energy Agency
- CODEMA (City of Dublin Energy Management Agency)
- Cork City Energy Agency
- Cork County Energy Agency
- Foyle Regional Energy Agency
- Galway Energy Agency Limited
- Kerry Energy Agency
- Limerick Clare Energy Agency
- Mayo Energy Agency
- Meath Energy Agency
- Tipperary Energy Agency
- Waterford Energy Bureau
- Wexford Energy Agency Management Ltd
- WREAN Western Regional Energy Agency & Network

1.0 Introduction

The Association of Irish Energy Agencies (AIEA) strongly supports and welcomes the CER Consultation document on Micro Generation and the opportunity to respond. The AIEA and its members are active in the awareness, promotion and implementation of energy actions supporting European and National policy at a local and regional level.

2.0 Context

The Association of Irish Energy Agencies is an all-island body supporting the development and implementation of energy policy and best practice in an impartial and effective manner at local, regional, national and EU level, through its own actions and by strengthening the capabilities of its members.

There are now 16 Local Energy Agencies in Ireland including 3 in Northern Ireland. The AIEA was officially launched by the Minister of State for Energy, in June 2000.

The objectives of the AIEA are to:

- Represent the interest of its members
- Identify key energy developments actions, tasks and projects at local level
- Provide a coherent and coordinated voice and influence policy at Local, National and European Level
- Collaboration and co-operation at Local, National and European level with other Energy Agencies and interested bodies
- Integrate energy and environmental policy through linking top-down policy and bottom-up consumer based practical initiatives
- Develop Regional energy plans
- Liaise with Government Departments and State Agencies on Energy issues

2.1 *SÉANCE Project*

The AIEA was the first National Association of Energy Agencies to be established in Europe and has recently completed the *SÉANCE* project (4.1031/Z/02-069), in co-operation with other National Associations from Italy (Co-ordinator), Germany, Sweden and the UK.

The information and experiences exchanged through this project between the partners again highlighted the important work that the Local and Regional Energy Agencies are completing in the fields of renewable energy, energy efficiency and clean transport. However, it also reinforced the significant difficulties that Energy Agencies can experience to remain sustainable while also attempting to integrate with local, regional and national policy developments. The need for integration of approaches which provide maximum synergy between local action and regional, national and European policy was again highlighted.

AIEA Responses to Consultation Paper

3.1 Installation Process for Micro Generation

3.1.1 Technical Considerations

The 40% limit may be taken as an annual average, but there will be instances where there is no load at end user level and 100% of surplus is available for grid export. To limit a 40% capacity of surplus generation onto the grid will require technical constraint measures, at a capital and installation cost to individual systems.

This should not be an issue until such time as over capacity at local sub stations. This should be identified at the time of it occurring, applications to ESNB, and then introducing a limiting factor for new projects, (based on specific grid capacity) or no offers of grid connections, at that time. Do not introduce constraints or limits before the framework starts, or prior to any study or review. This is a sign of poor professional judgement and vision by the CER. This limit is identifying a weakness in capacity on the grid network and may need to be upgraded to support any national initiative, or grant support mechanisms, to promote micro-generators onto the system.

The studies to identify over capacity at any point on the system should be conducted in a transparent manner, i.e. by an independent assessor. The ESNB are not in a position to provide impartial advice in this matter and should form part of the technical consultation process only.

3.1.2 Notifying the Network Operator

It is agreed that there must be some form of “notification or inform process”, together with a list of registered generator types suitable for grid connection. The list of suitable generators for all renewable energy and CHP generators may be retained by the CER, or other independent authority, for selection purposes at project design stage. This list will need to be revised and updated on a regular basis, to avoid excluding any manufacturer’s products at any time. The process of “consent” need only be instigated where an application is made with an unapproved generator.

AIEA suggests that the CER takes a more positive tone in the notification process, “*DSO will inform the customer if it does not approve of the installation as proposed*”. It is recommended that the CER change this sentence to read “*DSO will inform the customer of all necessary requirements and recommendations to enable the installation to proceed*”. This will then reflect the CER’s obligation to promote RE onto the grid and will also be in the spirit of

associated EU Directives.

The DSO must be required to respond to the customer within a defined period of time, e.g. 20 days, stating consent, or otherwise. The CER document does not clearly state that the DSO will notify/inform the customer if the installation is fit for purpose.

Apperfix 1 Micro-Generator Notification Form is adequate for the purpose intended

Apperfix 2 Type Test Certification Test Result Sheet needs to be reproduced taking into account the list of approved generators as stated above, together with requirement of registered approved electrician installers. This will limit the associated paperwork and perceived complicated application Test form.

Footnote 19 There is a mismatch here, the form question asks for a **Rating**, typically a demand kW, kVA, although the footnote explanation states that the answer should be based on **Consumption** difference, i.e. kWh, kVAh. This does not make dimensional analysis sense and will confuse the applicant.

It will not be possible to provide a difference between the rating of the generator and the demand rating as this is constantly varying, please refer to the comment at 2.1 above.

It is recommended that “inform and fit” process is more applicable to micro generators and consent used only to disallow a non-compliance generator to connect.

3.2 Inform, Consent and Fit

3.2.1 Informing the ESNB of Installation

The CER proposal to have a registered list of generators is most agreeable. In agreement the following points are outlined here in support of the CER proposal.

A registered list of micro generators, with standard/approved laboratory testing conducted at manufacturing stage will qualify all such makes/models to the

approved list. This framework will simplify the individual TCTRS of installed generators.

This process can be conducted and a list formulated in a similar process to the current Grid Code (G10) for larger generators and wind turbines.

It is recommended that Manufacturers conform to the highest standards of compliance for approval to the registered list, taking account of the following minimum statutory requirements:

- CE Mark to comply with the following,
 - *EMC Directive 2004/108/EC*
 - *Machinery Directive 98/37/EC*
 - *Construction Products Directive 89/106/EC*
 - *Low Voltage Directive 73/23/EC*

Where the ESNB reject an application it must clearly outline the reasons for rejection, so that the application can be resubmitted based on the recommendations of the ESNB. This is similar to the planning application/conditions process. The registered list of suitable generators, within a Grid Code policy, will eliminate a lot of the assessments of individual applications by ESNB. This provides a more efficient process, with shorter turn-around times of the connection appraisals.

On a point of difference, it is recommended that the list is administered and maintained by an independent and impartial body. In this light it is recommended that this body is Sustainable Energy Ireland, where regular updates of the list are issued on the web.

3.2.2 Consenting to Micro Generator Installation

In the first instance a definition for micro generators must be made clear. The 40% constraint must be reconsidered, for reasons stated in section 2.1 above.

In the case of ESNB receiving the application (for a single micro generator application) and delays occur (or no response) in the ESNB response to connect, can the applicant proceed with the installation? This needs to be clarified in all applications, (single/multiple) similar to policy of current planning permission guidelines. The process in this respect is heavily reliant on the accuracy of the postal service. Can applications be made by email, with immediate acknowledgement of receipt, and likewise the consent response to the applicant?

The matrix and application process also needs to include the applications of adding on additional micro generators to existing micro generator connections, this will be a common issue as applicants may bolt-on as capital becomes available.

3.2.3 Enforcement and Practical Implications

Informing all customers of this opportunity to connect micro generators to the grid and their responsibilities and compliance issues may be forwarded through all electricity suppliers' bills. This is similar to the information disseminated through all bills, including all suppliers, with respect to the PSO. This notice on the PSO now needs to be revised with respect to the lower costs of renewable energy, subsidising other fuels in electricity generation and reducing customers PSO charge.

It is recommended that any public campaign should be adequately funded and carried out by SEI at national level and the Local Energy Agencies at a regional and local level.

A verification inspection process may need to be established in order to ensure that the model/make installed is that same as per the application to, and consent from ESNB. Again this should be adequately funded, administered by SEI at national level and conducted by the Local Energy Agencies at ground level.

3.2.4 Application Fees

An application fee will not identify an accurate record of installed projects? Applications with consent may not, for some reason, purchase or install the generator. The application fee may be defined as an administration fee.

3.2.5 Licensing and Levy Order

It is recommended that the micro generators will not require a license to generate or an authorisation to construct. This is in agreement with the proposal of the CER in document CER 06195 – “*generator sites not exceeding 1MW will stand authorised and licensed by way of the respective Orders and will not be required to apply to the Commission for either an authorisation or a license;*”(Section 2 Page 6).

A simple form may be completed and returned to the CER, ESNB or SEI stating

that the installation is installed and operational. This will assist ESNB with a record of installed projects and will also assist in the establishment of a national database/inventory of micro generators.

A nominal levy order may be charged on the Manufacturers or distributors as they apply to be registered on the approved database of generators, annually charged as the list is revised.

3.3. *Metering and Commercial Arrangements*

All electricity exported to the grid must command a payment of some level. For the purpose of transparency of billing/invoicing the need for some form of net-metering and net billing will be necessary. It is recommended that some form of integration of smart metering with net metering specifications is most applicable in this case.

Some form of net metering will need to be used presently, since it is currently available, until the smart metering technology is developed – rather than delay installations until such time. To reject net metering, the only current system to settle payment to the micro-generator, is discriminatory to the citizens' rights under National and EU Law.

The CER should investigate the potential for payment to installer of RE micro generators for Carbon Dioxide (i.e. €/gCO₂) abatement based on the reduced environmental impact of the renewable energy technology to imported electricity, currently (SEI 2004) at 624 gCO₂/kWh. It is recommended that this method of payment will simplify the metering technology (kWh generator meter only) where payment is given for all units generated, both exported and end-user consumption. This record of RE produced may also qualify for a Certificate of RE Origin. The AIEA would welcome an opportunity to discuss the merits and framework for this CO₂ arrangement to be realised.

This method will assist ESNB with all (0 – 100%) surplus spilled onto the grid and will also assist installer of the generator with financial viability of the system.

4.0 Conclusion

The AIEA welcomes the publication of the Consultation Paper and looks forward to reviewing other submission and the final decision on this matter in due course. Micro generation is a key issue at a local level with the current levels of public interest that the Local Energy Agencies engage with.