

Response to the CER Review of Connection and Grid Access Policy: Initial Thinking and Proposed Transitional Arrangements [CER/15/284](#)

Thank you for the opportunity to consult on this critical issue for generation development in Ireland. GED wishes to endorse the IWEA position and looks forward to further engagement with CER throughout the consultation process. As a broad principal, developers who are investing in project development must have certainty that grid access will be available within a reasonable timeframe for projects which receive planning permission. The cost to achieve planning consent for power generation projects has risen significantly in recent years so this investment must be underpinned with equitable treatment when it comes to grid access.

We understand the array of complexities involved in determining a fair enduring process which is workable for both developers and system operators. In particular, the change from the existing gate system and the non gpa processes will not be seamless with so much ongoing development still in progress. We look forward to engaging in detail during the extended consultation period on these matters.

Transition arrangements

GED supports the proposal to try to release existing unused capacity. As a principal any capacity contracted in any area but not constructed leads to significant additional work and cost as the contracted capacity must always be considered in the design of both shallow and deep works.

GED believes however that without an enduring scheme in place many developments which are not currently in a position to use of their connection capacity may not avail of the amnesty offered. The carrot of a return of first stage payments will in many cases simply not enough of an incentive to return the capacity and it will remain hoarded. The long stop dates for many gate 3 projects will not bite for some years yet so there is time available to speculate further with the scarce resource.

GED believes that a greater incentive for such capacity would be allowing it to be connected at a different location. Further flexibility with the existing COPP rules on relocation could facilitate the build out this unused grid on sites which have planning permission and are ready to move to construction.

Similar to the time bound nature of the proposal of the offer to return capacity such a time limit could be placed on a relocation proposal. To avoid potential conflict GED believes that any relocated connection capacity could be offered on a non firm basis and that requirements to cover any stranded asset costs would of course remain in place.



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By placing a planning condition on such movement of grid access, connection policy would be making the step towards having planning as a criterion for receiving a grid connection offer. For example, any such relocation modification request would have to be made by end of June 2016. The movement would only be allowed if planning consent was either granted or in the final stages of consideration. If planning permission for the site has not been achieved by end of Q3 then the relocation modification request would be refused and the grid would have to be returned to the system.

In many cases stranded grid may be associated with deep reinforcements which may either be no longer needed or could be significantly reduced in scope if some capacity was to be relocated.

Without flexible use of some of the stranded grid capacity on the system much of it will remain on the system. Due to the time required to consult on and determine the enduring grid access policy any new policy is unlikely to result in a connection offer which can deliver an actual connection before 2020 at best. As per the outlined program a draft decision on the enduring policy is targeted for end of 2016 and full decision by end of Q1 2017 will hopefully open up a new application process. This process will need to open to new applicants for a period of time. Then the system operators will need to determine which projects are successful applicants before working on connection offers which may issue at best in mid-2018. This means that the enduring process will not be able to deliver connection to projects which can contribute to our 2020 targets as time will be needed to consent the connection works also. By offering further flexibility with stranded grid for a final time grid access could be offered to real projects in 2016 which will be delivered.

Gate 3 was a huge undertaking and at this point there is still uncertainty about how much will actually be delivered. Until the slate is wiped clean unused or hoarded capacity will continue to impact on any enduring grid access policy. The CER have correctly offered an incentive to remove unused capacity but a further step is required which GED believe could be a positive step towards an enduring policy.

Regards,

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