The Commission for Energy Regulation  
The Exchange  
Belgard Square North  
Tallaght  
Dublin 22  

2nd September 2016  

RE: Policy for Electricity Interconnectors – Consultation Process and Call for Initial Comments

Dear [Name],

Bord Gáis Energy (BGE) supports the Commission for Energy Regulation’s (the “CER”) overall review of Ireland’s electricity connection policy. The current policy is in our view not fit for purpose given the wider range of energy policy objectives and the diversity of connection applications being submitted.

Although we recognise that the connection of electricity interconnectors is a somewhat more complex process than that of a traditional generation unit given that they entail connections in two jurisdictions, it is important in our view that the connection of interconnectors is processed in a transparent manner and that the policy does not undermine the enduring connection policy for non-interconnector connections. Grid capacity is a scarce resource and Ireland has a number of energy policy initiatives including facilitating renewables and flexible units on the system that provide stability with the rising levels of non-synchronous generation. Both the policy for interconnection and the policy for all other unit types must collectively ensure the efficient use of the grid as a finite resource and the resources used to develop the grid.

BGE would therefore welcome some discussion within the consultation process on interconnection connection policy reflecting how the connection policy will interact with the connection policy for all other unit types and how the scarce resource of grid and firm access will be allocated and distributed between the various types of connection applications. Recognising that Europe has set targets for the level of interconnector capacity in member states, we must also remember that there are also targets for renewable capacity and that this in turn requires the connection of flexible units to facilitate the operation of the grid. The connection policies must therefore be consistent and work in parallel to deliver fair access for all connection types.

You may be aware that as part of the I-SEM project, a number of discussions have emerged relating to how the Regulatory Authorities and the Transmission System Operator (TSO) manage conflicts of interests between the TSO as the party with a statutory duty to manage and develop the system in the interests of all users and the TSO as the owner of a commercial (yet Regulatory underpinned) Interconnector. Noting that the TSO has further interests in developing interconnection with France and that there are other private entities considering further interconnection with GB, it will be important for the credibility of the connection policy that provisions are made to ensure a level playing field for all applicants to connect to the grid. This also holds true for non-interconnection connections, and BGE would welcome some discussion both as part of the connection policy consultation for interconnectors and the enduring connection policy consultation outlining how priorities will be determined between various connection applications. Specifically, detail would be welcome on how any conflicts of interests between the TSO as the owner of the connection policy and the TSO as an interconnector developer will be managed in a fair and transparent manner.

I hope you find the comments above useful. Should you have any comments or questions, please do not hesitate in contacting me.

Yours sincerely,

Bord Gáis Energy