

**British Irish Chamber of Commerce Submission to the the
Commission for Regulation of Utilities (CRU) on the
Greenlink Electricity Interconnector**



August 2018

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The [British Irish Chamber of Commerce](#) (the Chamber), the only organisation representing business activities with interests across the two islands of Great Britain and Ireland, welcomes the opportunity to respond to the consultation paper by the Commission for Regulation of Utilities (CRU) on the Greenlink Electricity Interconnector. This short submission is derived from previous policy work the Chamber has carried out in the UK-Ireland Energy sector most notably '[Revisiting Energy Policy in Great Britain and the island of Ireland](#)' (2016), '[High Level Principles for the British Irish Energy Sector Post Brexit](#)' (2017)' and the Chamber's recent Energy Seminar in London 'The Future of the UK – Ireland Energy Relationship (2018)'.

The Chamber notes that in assessing the Greenlink application, there are essentially two questions the CRU is considering. Firstly, is it in the “public interest for Greenlink to form part of the transmission system” and secondly is if the answer is positive what is the appropriate regulatory regime. In terms of the later question there are numerous technical and regulatory considerations, so for the purposes of this submission, the Chamber will speak to the question “Is there any additional information the CRU should consider when determining whether the Greenlink interconnector is in the public interest or not?” The following high-level points are to inform the CRU of the public interest in developing Ireland's interconnection apparatus:

1. **Maintain and Enhance Security of Supply:** Given that Ireland is a peripheral island in Europe, securing its energy supply has added importance. Developing Ireland's interconnection apparatus will allow Ireland to diversify its sources of electricity supply which in turn will improve the country's security of electricity supply. The role of interconnection in security of supply was illustrated by the European Commission Expert Group on 'Electricity Interconnection Targets'¹:

“When a power plant fails or during extreme weather conditions, EU countries need to be able to rely on their neighbours to import the electricity they need. Without infrastructure it is impossible to buy and sell electricity across borders. Connecting isolated electricity systems is therefore essential for security of supply. Reliable connections with neighbouring countries also lower the risk of electricity blackouts, reducing the need to build new power plants”.

¹ <https://ec.europa.eu/energy/en/topics/infrastructure/projects-common-interest/electricity-interconnection-targets>

2. **Affordable flow of energy to consumers:** There are currently two electricity interconnectors connecting the island of Ireland with Britain, the East West Interconnector (EWIC) and the Moyle Interconnector. There are also three gas interconnectors - two sub-sea pipelines running from Scotland, and a “South-North pipeline” runs from Gormanston, Co. Meath, to Belfast. If cost-effective, the Chamber supports the continued integration of energy markets with both the UK and Continental Europe. In this way, the Chamber supports the development of the Celtic and Greenlink Interconnectors between Ireland and France and Ireland and Britain respectively. This has the potential to lead to increased competition and thus lower wholesale prices in Ireland overall.

3. **Facilitate Increased Capacity for Renewable Energy:** Connecting electricity systems between Ireland and Britain will increase Ireland’s capacity for renewable energy and allow for further integration of renewables into energy markets. An example from an Irish perspective would be an opportunity to export excess Irish wind energy to Britain.

Stakeholder Feedback:

In February, the Chamber, through its ‘Energy and Environment’ Committee and in partnership with Energy UK hosted a Seminar on ‘The Future of the UK – Ireland Energy Relationship’ in London. The Seminar was attended by over 100 stakeholders from the UK-Ireland Energy sector and included representatives from the Regulators, the Civil Service, Energy practitioners, and members of the British Irish Chamber of Commerce and Energy UK. The purpose of the Seminar was to bring together stakeholders to analyse and evaluate the energy relationship that currently exists between the UK and Ireland and to assess the potential impact that Brexit may have on this relationship. Participants also discussed the UK’s relationship with the Internal Energy Market (IEM) post-Brexit including possible and desirable scenarios and their subsequent impact on the UK-Ireland Energy relationship. On the topic of interconnection there was a resounding endorsement for enhanced interconnection between Ireland and Britain as recorded in the subsequent event report:

“There was a strong endorsement for developing future interconnection between the UK and Ireland as well as Ireland and Continental Europe. If cost effective, this would improve security of electricity supply and facilitate increased capacity for renewable energy as well as leading to increased competition and therefore reduce energy prices for consumers”.

We hope this submission proves helpful to the Regulator’s deliberations.