

Mr Stuart Coleman,
Commission for Regulation of Utilities,
The Exchange,
Belgard Square North,
Cookstown,
Dublin 24

By email only to electricityconnectionpolicy@cru.ie

Re: IFA response to CRU's ECP-2 Proposed Decision Consultation

Dear Mr Coleman,

The Irish Farmers' Association on behalf of its members welcome the opportunity to respond to the CRU consultation on the proposed ECP-2 decision and in particular the proposal to target non-batch offers to community led projects.

However, the policy proposal lacks ambition in the context of the challenges facing Ireland under the EU Commission's "European Green Deal" and given the impending switch to the electrification of transport and domestic heat. This move will dramatically increase the demand for renewable energy in the near term. In this context CRU policy should sh

The most worrying and limiting aspect of the ECP-2 policy is the proposal is to severely restrict the number of non-batch qualifying projects to 30 with half of these reserved for community based projects. It is clear from talking to many actual and would be small scale producers (<500kw) that under the current application and approval process it can take a number of years to achieve a successful outcome. This has discouraged many from participating under the non-batch application process. Numerous would be applicants delayed projects in the anticipation that Government would move to reform deficiencies arising under the existing scheme. Given the pent up demand within the agri-community to participate in energy generation ***an independent study must be commissioned immediately to assess the number potential projects that would proceed were the grid connection, application and approval process streamlined.***

Ireland needs to prioritise investment in the bioenergy sector, along with the grid infrastructure if we are to meet the EU's ambitious revised 2030 and new 2050 targets as set out under the Commission's "European Green Deal". However, the lack of clear / cohesive policy initiatives and financial supports to date will see Ireland fall considerably short of meeting it's EU 2020 renewable energy target and struggle to achieve the extremely ambitious 2050 goals.

International experience clearly shows that investing in renewables creates long-term sustainable employment. It will also allow farmers to develop alternative income streams while further decarbonising food production. More importantly it will allow for the sustainable expansion of primary agriculture, Ireland's agri-food sector (with an annual turnover in excess of €26bn) and the wider economy.

Farmers and the agricultural community have successfully developed a €15 billion-euro agri-cooperative business. The development of the renewable energy sector would represent a natural extension of this current business model. The farming community is ideally placed to accommodate the rapid and large-scale roll-out of renewable electricity generation from different technologies. For example, much of the existing farm roof infrastructure is capable of accommodating solar PV panels. It has been shown that commercial farm buildings are able to achieve higher self-use ratios and that peak electricity demand is more aligned to peak PV production time when compared to residential prosumers. In addition, ongoing technological developments will allow for the creation of virtual power plants through combining multiple small-scale PV solar and or wind turbines etc coupled with battery storage. These units are capable of feeding into the grid on demand.

The development of local energy co-operatives must be catered for under ECP-2 policy as this would ensure that ownership is retained locally and that the benefits in the main accrue to the Irish economy and not creamed off by speculative investors or large multinational corporations.

The contribution potential from micro / medium scale generation is enormous. In Germany over 40% of electricity is now produced from microgeneration at local level, right down to individual households and or / small community developments. ***The maximum export capacity (MEC) of 6kw (single phase) and 11kw (3-phase) for Ireland must be aligned to the EU norm*** as this is one of the limiting factors restricting micro generation. ***Many EU Member States allow for a maximum MEC of 100kw.*** In the UK and NI the MEC limit for single phase is at 50kw.

Ireland's national grid was originally designed around centralised utility scale production of electricity at a time when there was an abundance of low-cost fossil fuels available and limited environmental concerns. ***The switch from consumer to prosumer as set out in the EU's "Clean Energy for all Europeans package" legislative framework will accelerate the transition to renewable energy but this must be facilitated by the grid network.*** Unfortunately, neither the existing or proposed policy and or regulatory framework is in place to facilitate commercial prosumers such as farmers.

There is also a need for reform of private wire and planning legislation, that presently constrains the deployment of small-scale renewable energy projects. Unlike in Northern Ireland and other EU states, generators in Ireland cannot connect directly to electricity consumers, as existing rules prohibit private wire connections. ***It must be amended to allow a private generator to supply power directly to a consumer,*** would relieve pressure on the distribution networks and provide opportunities for farmers to install renewable generation projects.

Time delays and unnecessary constraints can add considerable costs to the project. Planning is an important aspect in the development of renewable energy projects. ***Irish planning regulations, regarding the size of roof mounted PV systems, restrict the capacity of systems that can be installed without requiring planning permission and must be amended.*** These regulations are at odds with those in other EU states and place an additional financial obstacle for farmers who want to install this technology. Many farmers have been frustrated by the inordinate time delays that it takes to secure grid connection for export capacity under the current non-batch process which can take a year or

longer. Unfortunately, this encourages would be generators either to abandon projects or to opt for zero-export contracts.

ESBN should be obliged to grant export offers within 3 months of the application being received.

ESBN must provide would be generators information regarding network capacity limitations in a timely fashion.

In addition, target dates must be provided regarding the timelines for proposed upgrades of existing capacity.

I trust that the CRU will address the key concerns raised above when finalising its ECP-2 policy proposals.

Kind regards,

Tom Short

Chairman,

IFA Renewables Project Team