

CEWEP Ireland response to the Enduring Connection Policy Stage 2 (ECP-2) Proposed Decision CRU/19/143– 24 January 2020

CEWEP Ireland welcomes the opportunity to comment on the proposed decision to the Enduring Connection Policy Stage 2 (ECP-2).

CEWEP is the umbrella association of the owners / operators of waste-to-energy (WtE) facilities, representing approximately 500 plants across Europe. Our members represent nearly 90% of European WtE capacity.

CEWEP Ireland is the Irish branch of CEWEP Europe and has two members: Indaver, which operates the Meath Waste-to-Energy Facility and is proposing to develop similar facilities in Belfast and Cork; and Covanta, which operates the Dublin Waste-to-Energy Facility.

Over the next few years it is anticipated that members will have a total treatment capacity of over 1,100,000 tonnes per annum residual waste and export more than 90MW electricity and/or heat.

WtE facilities are part-renewable, fully dispatchable plants and treat waste that cannot be prevented, reused or recycled. CEWEP Ireland welcomed the *Enduring Connection Policy – Stage 1 (ECP-1)* decision and recognised the importance of proposals contained therein which aim to promote a more optimal use of the existing network, taking into account system needs, national policy and the consumer interest. Our comments below propose measures to expedite the connection process and set out the benefits of a diversity of renewable energy generation projects in ECP-2.

Q1. Do stakeholders agree with the CRU's proposals for ECP-2 batch and non-batch processes?

2.3 ECP-2 timeline

The proposal to open the ECP-2.1 application window following the publication of the RESS 1 auction results and the completion of the ECP-1 offers issuance (when the three-month acceptance period for last issued offers ends) should be revised. Creating a link between the RESS and ECP timelines creates an unnecessary co-dependence that has the ability to delay the commencement of the connection process. Furthermore, the Department of Communications, Climate Action and Environment has set out that they wish for at least 15% of renewable energy projects to find a route to market outside of RESS. These projects must have a grid connection offer in order negotiate power purchase agreements.

In order to maintain the momentum that ECP-1 has brought, the system operators should start the application administration for ECP2.1 when the final *Enduring Connection Policy Stage 2* (ECP-2) decision is published. Potentially projects operating outside of RESS could be offered a connection through the non-GPA process.

2.4 Target 50 connection offers per annual batch

CEWEP Ireland supports the rationale for implementing annual batches. This will provide more certainty and clarity to prospective generation developers with regards to the timelines associated with batch commencement and processing. However, the batch sizing of 50 offers per year is too low. This volume seems well below the capability of the system operators based on the ECP-1 batch size and the non-GPA processing from 2015 – 2017.

Having studied the known consented renewable energy projects which are waiting for grid, small scale solar and battery projects in particular (which have seen a massive growth in development) could take up all available processing capability in a small batch.

2.5 Early engagement with projects in the batch

Early engagement between the system operators and the project developers and an early indication of the connection methodology is a positive development in making the process more efficient. Such engagement must be offered to projects who are in the consenting phase also. This is the case in other markets where our members operate. Projects must have the ability to work with ESBN and EirGrid to engineer cost effective connection methods. If MEC reductions, for example, can remove expensive network upgrades from a given connection offer this flexibility must be offered to customers.

2.6 Require planning permission to enter the ECP-2 batches

The inclusion of planning permission as eligibility criteria for ECP-1 was a positive development and it should continue as a requirement to enter the ECP-2 batches .

2.7 Prioritising of ECP-2 batches

A mix of renewables is important in order to realise a diversity of generation types with varying benefits. As previously mentioned the ECP 2 batches are expected to be heavily oversubscribed. While the proposed prioritisation rules based on size of renewable energy generation project and date of granting of planning permission present a plausible measure to meet overarching objectives such as meeting EU mandated targets, we are concerned that they may not facilitate a mix of different types of renewable energy generation projects.

We do not agree with the CRU's assertion that planning permission date alone can be a factor in ensuring a diversity of generation type. Technology diversity is important to the

system and is of particular importance in order to reach higher levels of long term and instantaneous renewable penetration.

In particular, synchronous and fully dispatchable renewable energy from WtE brings additional system benefits in comparison to intermittent non-synchronous renewables. Such diversity is vital and the CRU must have a mechanism to ensure that any given batch is not dominated by a single technology if the two prioritisation mechanisms proposed for ECP 2.1 do not deliver a diverse technology mix.

There are other benefits associated with the inclusion of WtE as an eligible technology. Having sufficient WtE capacity is important for meeting Ireland's waste treatment needs and overarching energy and environment policy objectives. The technology also delivers renewable generation which is fully synchronised to the grid which present additional benefits to the system which is struggling to accommodate non-synchronous and variable renewable generation.

2.10 Offer capacity on a non-firm basis

Currently, non-firm connection offers may represent the only path forward to ensure connections are delivered in the short term. However, the CRU must continue to develop policy which will deliver firm connections to generators and deliver certainty that constraint information can be relied upon during the non-firm period. The timely provision of information detailing possible constraints (and when they will be removed) is key information for project business cases.

Q2. Do stakeholders agree with the proposed final opportunity for capacity release and the terms on which it will be available?

Capacity release should be facilitated in order to optimise grid utilisation.