



Enduring Connection Policy 2  
EirGrid Consultation Response

**24 January 2020**

# 1 Summary

EirGrid welcomes the opportunity to respond to the Commission for Regulation of Utilities (CRU) proposed decision on Enduring Connection Policy Stage 2 (ECP-2) (CRU/19/143).<sup>1</sup>

EirGrid has set itself an ambitious new strategy in transforming the power system for future generations. The evolution of connection and access policy is vitally important to ensure that EirGrid is in the position to meet 2030 RES-E targets as set out in the DCCAE Climate Action Plan (CAP).<sup>2</sup> The high number of renewable electricity projects required to meet 2030 RES-E targets presents a set of challenges to the current connection policy model.

In developing our response, we have considered four objectives which we consider important in developing ECP-2. Our objectives for ECP-2 are:

1. To attract new/updated applications for connection;
2. To produce timely connection offers that can be developed for connection onto the electricity system;
3. To meet decarbonisation and security of supply requirements; and,
4. To support Government and CRU objectives.

These objectives underpin our individual proposals as laid out below.

EirGrid is supportive of the proposals made by the CRU in CRU/19/143. We also would like to acknowledge the constructive engagement of the CRU with industry and stakeholders. As part of this industry engagement we have identified some important enhancements to the draft decision which include:

- Scope to increase the number of connection offers to be issued in the event that the 50 offer threshold will not deliver a pre-determined GWh figure for new RES capacity in a given batch;
- Recognition that the location of generation is important in the prudent development of the electricity system and including a locational 'constraint' in the GWh calculation for RES prioritisation; and
- Establishing a clear offer pathway for new units that could address security of supply concerns.

These are set out in more detail in this response.

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<sup>1</sup> <https://mk0cruiefjep6wj7niq.kinstacdn.com/wp-content/uploads/2019/11/CRU19143-ECP-2-Proposed-Decision-002-1.pdf>

<sup>2</sup> [https://www.dccae.gov.ie/en-ie/climate-action/publications/Documents/16/Climate\\_Action\\_Plan\\_2019.pdf](https://www.dccae.gov.ie/en-ie/climate-action/publications/Documents/16/Climate_Action_Plan_2019.pdf)

## **2 Key Enhancements to CRU/19/143 (ECP-2)**

### **2.1 ECP-2 Targets**

EirGrid believes that a GWh target should be set for each of the ECP-2 batches. The prioritisation of the 25 offers that deliver the highest GWh of renewable generation is welcome but may not in itself deliver sufficient volume. The implementation of a GWh target for each of the ECP-2 batches would, in EirGrid's view, meet the CRU's objective as outlined in Section 2.2 of CRU/19/143 by enabling projects to align with the overarching government policy direction on climate action and also the CRU's strategic priority of delivering sustainable low-carbon solutions.

### **2.2 Locational Prioritisation**

Ireland's transmission system is both a valuable and scarce resource. EirGrid is tasked with ensuring the efficient and effective utilisation of the asset for the benefit of all electricity customers be they generation or demand.

EirGrid recognises that a full move to locational prioritisation is discussed in the CRU's separate call for evidence. EirGrid however believes that in order to utilise the existing network in the most efficient manner possible, and to more specifically adhere to the CRU's GWh requirement for the largest 25 projects, a conversion factor based on the ECP-1 constraints reports should be applied to establish renewable output levels. To ensure transparency, EirGrid is proposing to publish a summarised constraints report based on ECP-1 results to clearly identify areas of the transmission system which are currently affected by material constraints so developers can make informed decisions about where to locate projects.

### **2.3 Offer Pathway for Conventional Plant**

It is clear from the Climate Action Plan and EirGrid Generation Capacity Statement<sup>3</sup> that the current electricity system for both generation and demand is undergoing significant change. During this transition it remains vital that demand customer load requirements can be served. The CRU has recognised this in its directions in the last two years providing a pathway for a connection offers to those plant successful in the Dublin region in the T-4 SEM capacity auctions. However, the CRU has also stated its intention not to issue a similar direction for the next T-4 and such directions have not extended to other areas within the system. ECP-2 does provide a pathway for new generation that is required to meet security of supply needs however this may not be sufficient given the pace and scale of the transition and further measures may be required. EirGrid believes that it is entirely prudent that the need for a clear offer pathway for such generation is maintained should the need arise.

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<sup>3</sup> <http://www.eirgridgroup.com/site-files/library/EirGrid/EirGrid-Group-All-Island-Generation-Capacity-Statement-2019-2028.pdf>

## **2.4 Other Considerations**

### *2.4.1 Batch Overlaps*

EirGrid acknowledges that the proposed ECP-2 batch timeline of one application window per year over 3 years from 2020-2022 requires some element of parallel working of offers between batches to meet those timelines. EirGrid is committed to processing all applications as efficiently as possible, however it must be recognised there is a risk of processing delays due to crossover of batches and offers, particularly if they are at the same node and share connection works.

### *2.4.2 Connection Method Determination*

ECP-2 sets out a clear approach to process a large number of connection offers in a structured manner according to a multi annual timetable. In order to realise this ambition EirGrid intends to work with ESB Networks Ltd., in its role as the Distribution System Operator, to review and streamline the node assignment ruleset that was in place during the Gate 3 process. This will help in reducing unnecessary processing time between the two SOs and provide more clarity to customers as to what connection method they are likely to receive for a certain size of generator. This work will also be of benefit if the CRU decides to adopt a 'Grid Following Funding' model in the future.