



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

# **Review of Connection and Grid Access Policy**

**Initial Thinking & Proposed Transitional Arrangements  
in the Commission's Consultation Paper**

Eamonn Murtagh

Director, Energy Networks



## Mission and Vision

### Mission Statement

*Regulating water, energy and energy safety in the public interest*

### Vision

The short and long term interests of the public are protected by ensuring:

- Energy and gas are supplied safely
- The lights stay on
- The gas continues to flow
- A reliable supply of clean water and efficient treatment of wastewater
- Consumer prices for energy and water are fair and reasonable; and
- Regulation is best international practice

## Context for Consultation

Gate 3 - 2020 targets, but what next?

No significant growth in demand in the next 10 years\*

System requires more flexible generation to deliver DS3

Substantial delays in obtaining planning permissions

GPA applications build up but no clear policy

Significant increase in non-GPA applications

Investors need regulatory certainty and timely procedures

\* All Island Generation Capacity Statement 2015-2024

# Outline of the Consultation Paper

## Enduring Connection Policy

**Policy objective**

**Principles**

**High-level approach**

**Key policy drivers for connection criteria**

## Transitional Arrangements

**Release of existing capacity**

**Increase in MEC for existing connections**

**Connection for providers of system services**



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

## Enduring Connection Policy

### **Policy objective**

To provide a fair opportunity for generation to receive offers of connection to the network taking account of:

- system needs
- efficiency
- national policy
- consumer interest



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

## Enduring Connection Policy

## Principles

- end user impact
- equity of treatment
- compliance
- security, reliability of supply and competition
- efficiency in the use of resources and project development
- transparency
- practical and timely implementation
- optimal grid development



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

## Enduring Connection Policy

## High level approach

GPA remains, but:

- more frequent, smaller rounds of applications
- existing connection criteria under review

## Enduring Connection Policy

## Key policy drivers for connection criteria

- Renewable targets

*RES as key driver or a more balanced approach?*

- Interconnection, demand and generation forecasts

*Should they be taken into account?*

- Treatment of non-GPA applications

*Should they be included in GPA or not?*

- Connection and grid access considerations

*I-SEM · DS3 · large demand · efficient use of the existing network · planning and consenting · EU policy · community based schemes*



# Outline of the Consultation Paper

## Enduring Connection Policy

**Policy objective**

**Principles**

**High-level approach**

**Key policy drivers for connection criteria**

## Transitional Arrangements

**Release of existing capacity**

**Increase in MEC for existing connections**

**Connection for providers of system services**

## **Release of existing capacity**

## **Transitional Arrangements**

Projects which are unlikely to become operational can release their capacity and get 100% of their first stage payment back

### Aim:

Get clear view of spare capacity on the network - avoid capacity hoarding

### Conditions:

1. Application for termination of connection agreement submitted by 30 June 2016
2. Refund payable only after the completion of the termination process

## Increase in MEC for existing connections

## Transitional Arrangements

Efficient use of the existing network

**trade-off**

Competition  
Fair access to the grid

### Conditions:

- Application before 30 June 2016
- Only for generators connected to the grid (by 30 June 2016 at the latest) and without Directed Contracts
- Max 10% increase in MEC, requires no deep reinforcements or changes to the connection assets, and has no interactions with currently contracted generators



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

## Connection for providers of system services

## Transitional Arrangements

Aim: facilitate connection of units which benefit security of system, consumers and are complementary to the connection of variable renewable generation

### Conditions:

- only for system services in **insufficient supply**
- only for units which:
  - have more capability than required by the Grid Code
  - are not required to issue Directed Contracts
  - demonstrate delivery of DS3 System Services within required timeframes
  - will be operational within 12 months or commit to auction and is awarded a contract

## Next steps

