



NETWORKS



1 OFFSHORE CONNECTION POLICY - PHASE 1 PROJECTS

ESB Networks Response to CRU Consultation on
Offshore Connection Policy – Phase 1 Projects
(CRU/2022/51)

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1 Introduction

ESB Networks is committed to facilitating the development of offshore wind generation in Ireland and meeting Ireland's 2030 climate targets set out in the Climate Action Plan (CAP) 2021.

ESB Networks welcomes the opportunity to respond to the Commission for Regulation of Utilities' (CRU) consultation paper on '*Offshore Connection Policy – Phase 1 Projects*'. Policy for offshore generation and its subsequent development will be a key enabler in helping Ireland reach its renewable energy targets. While ESB Networks generally supports the approach taken in the consultation paper there are a number of areas where we are seeking further clarifications and direction. For this reason, we have provided a response in relation to Section 2.1, Question One and Section 3.2, Question Eight. Further to this we have proposed that a process is included to resolve issues which may arise between the onshore TAO and offshore TAO Role.

1.1 Role of ESB Networks

In this consultation response, references to 'ESB Networks' comprise both ESB Networks DAC in its capacity as Distribution System Operator (DSO), and the ring-fenced ESB Networks business unit of ESB which has been designated for the purposes of the Transmission Asset Owner (TAO) and Distribution Asset Owner (DAO) Licences granted to ESB. As DSO, ESB Networks works to meet the needs of all Irish electricity customers, providing universal affordable access to the electricity system, and delivering and managing the performance of the Distribution System. As TAO, ESB Networks is committed to playing our part in contributing to the achievement of Ireland's decarbonisation policy objectives and ensuring that the needs of all our customers and industry are met. In partnership with EirGrid, the licensed Transmission System Operator (TSO), ESB Networks designs, develops, constructs, and maintains the transmission grid in an effective and efficient way.

ESB Networks also delivers a range of services to the Republic of Ireland (RoI) Retail Electricity Market servicing over 2.5 million customers. We manage relationships with market participants and provide data in a timely and accurate fashion on a daily basis. ESB Networks supports the wider RoI market through the ring-fenced Meter Registration System Operator (MRSO) and Retail Market Design Service (RMDS) and supports the wholesale Single Electricity Market through the provision of aggregated meter data.

2 ESB Networks Response

Below, we have provided a response in relation to Section 2.1, Question One and Section 3.2, Question Eight. Further to this we have proposed that a process is included to resolve issues which may arise between the onshore TAO and offshore TAO.

2.1 Contestability

As per Section 2.1 and Question One of the consultation paper, EirGrid propose to continue to employ the principles of the existing onshore process for Quality Assurance and Oversight for Offshore Phase 1 projects; one of these principles is contestability.

Contestability is stated as “the right of transmission applicant to construct all or part of their connection to the Transmission System” (ref: EirGrid document “*Contestability of Connection Assets*,” 16 October 2007). In the EirGrid document, Transmission System refers to those transmission assets owned by the TAO, and, to date, this is reflected in the roles of developer and asset owner in the contestability model.

ESB Networks would like to draw a distinction between ESB Networks (as TAO) owned onshore transmission assets and those offshore transmission assets to be owned by the TSO. The application of the existing contestability model to offshore grid connections should be given further consideration in light of the relevant legislative changes/changing nature of the transmission system.

This is to ensure that there is clarity around expectations and responsibility of all parties, (i.e TSO, Onshore TAO, and Offshore TAO) in both the onshore and offshore transmission systems and the interfaces.

2.2 Ownership Boundary

ESB Networks would like to comment on section 3.2, “*Transmission and asset ownership boundaries*”. In terms of *Figure 3*, showing the ownership boundary between EirGrid as Offshore TAO and ESB Networks as TAO, this is appropriate taken at a high level. However, as there are a number of different arrangements possible for the boundary between the TAO and EirGrid, we would need these explicitly covered in detail with appropriate single line diagrams.

For clarity, our understanding is as follows (as per schematic in document):

- If the EirGrid Onshore Compensation Compound is to be distant (i.e., not adjacent to) existing or new meshed onshore substation, then a TAO (ESB Networks) owned Single Bay substation is required at the onshore compensation compound and the TAO (ESB Networks) would own and have protection on the HV (High Voltage) cable connecting the single bay station to new/existing meshed substation.
- If the EirGrid Onshore Compensation Compound is to be immediately adjacent to existing or new meshed onshore substation, then there would be no need for a TAO (ESB Networks) single bay substation and an under/over fence connection would be made where the Point of Common Coupling (PCC) would be at the first point of connection in EirGrid’s compensation compound (TAO (ESB Networks) own the connecting HV conductor/cable).

Further clarity is also required in relation to the foot note under *Figure 3* which states “*It is also noted that derogations may be required to the busbar policy for reasons of spatial constraints*,” Does this apply to outline design of single bay substation or ‘new meshed onshore substation.’ Note EirGrid’s busbar configuration policy calls for ‘C’ type busbar layout (one section of double busbar) as a ‘starter’

station – this may not be required depending on location and prospect of further network/offshore connections. In addition, where the policy statement “*Policy Statement on Connecting Customers to the Transmission Network (Pol_St_18)*” is referenced, it must be clear that this refers to the policy statement dated November 2021 and not be open ended. ESB Networks would welcome the opportunity to discuss these in more detail with EirGrid and CRU to ensure the smooth implementation of the policy.

Finally, a significant concern is the absence of guidance or process for the interaction between the onshore TAO and offshore TAO roles. In particular, there is scope for disagreement between the TSO and ESB Networks in relation to the ownership boundaries. There is merit in having a quick and effective dispute resolution policy that would involve either party referring the matter to CRU.

3 Conclusion

ESB Networks welcomes the opportunity to comment on this consultation on ‘*Offshore Connection Policy – Phase 1 projects.*’ and believe that offshore wind generation will play a central and critical role in Ireland’s future energy system.

We have outlined in this response the basis for our observations, and we welcome the opportunity to expand on any element of same as required. ESB Networks remains available to discuss the comments provided in this consultation response and look forward to engaging with the CRU, EirGrid and other industry stakeholders as this critical area progresses.