

**Bord na Móna**

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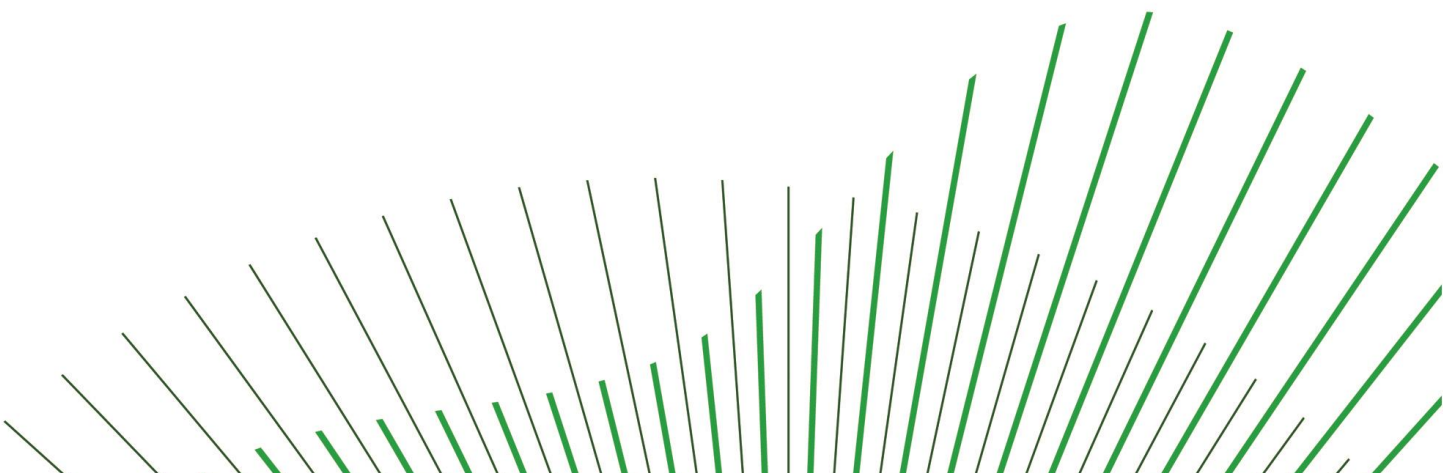
**TSO PR5 Strategic Objectives  
Multi-Year Plan 2022-2026**

November 2021

**Consultation Response**

13 December 2021

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## 1. Introduction

Bord na Móna (BnM) is evolving to deliver essential climate solutions for Ireland. Having ceased peat harvesting, our focus is on developing Climate Solutions in renewable energy, sustainable waste management, carbon storage and biodiversity conservation.

BnM has a long history of contributing to Ireland's energy demand and we are actively considering development options that respond to energy needs of the Irish system while supporting the low carbon transition. We currently have over 500MW of generation assets under management and we are actively progressing large scale renewable projects totalling 1.5GW across our landbank. At BnM we are taking real and tangible action by building and managing large scale renewable energy infrastructure to deliver clean power for the national grid.

BnM welcomes the publication of the TSO PR5 Strategic Objectives Multi-Year Plan for comment. The national ambition for decarbonisation will only be achieved through a collaborative approach between the SOs, market participants, policy makers and increasingly with customer participation. As a leading developer of onshore wind and complementary technologies in Ireland, BnM is keen to play a leading role in contributing to the delivery of Ireland's 80% renewable electricity target.

While It would be possible to comment on many aspects of the paper, for clarity we have distilled our response to the most important areas for our business. BnM is supportive of the three key areas identified by the CRU for consideration in targeting the TSO incentives<sup>1</sup> namely, facilitating a secure low carbon future, increasing efficiency and protecting customers, and anticipation of future investments. Achieving these broad objectives through the successful delivery of the proposed workstreams are imperative to enable the low carbon transition.

## 2. Response

The incentives are split into 4 areas, Networks, Markets, Operations and Engagement. Each of these areas has annual targets to achieve the objective. The BnM response is focused on the outcomes for customers and market participants from achieving these objectives.

### Networks

BnM notes the ongoing multi-year deliverables identified under the Networks Incentive to develop a strategy and toolbox for flexible networks including 'non-wires' solutions. Given the resource constraints in delivering much needed grid reinforcement, BnM believe that it is important that the Island of Ireland implements innovative solutions such as non-wires grid forming technology to the greatest extent possible – and develops clearly laid plans to trial and implement same. We welcome the inclusion of this workstream in the networks incentive.

It is clear from the paper that the TSO recognises the need for “a transformational step change in the volume of network reinforcement delivered across the transmission network. This is required to support the delivery of the Renewable Ambition in an efficient and effective manner”. Bord na Móna fully endorses this statement and its' sentiment.

In addition, the identification of key strategic enablers is welcome. Of particular note to BnM are 'planning', 'consents' and the 'technology toolbox'.

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<sup>1</sup> EirGrid PR5 Strategic Objectives Multi Year Plan Consultation Paper (2021) <https://www.eirgridgroup.com/site-files/library/EirGrid/PR5-Strategic-Objectives-Multi-Year-Plan-Consultation-Paper.pdf>

Form a planning and consents perspective, the timeframe to obtain consents, and connect to the gas and electricity grids is by and large not within the control of a developer. BnM is supportive of the TSO engaging at a strategic level with the relevant authorities and agencies to progress projects in an optimal way. Hopefully, this will enable the TSO to provide clarity on the timelines for delivering much needed infrastructure to meet generation demand requirements so as to better serve the developer in committing to their delivery timelines.

In addition, the progression of a 'Technology Toolbox' focused on "identifying and implementing mechanisms, tools and processes, in addition to network build, to relieve network congestion in order to facilitate additional renewable connections and allow export of generation on to the system" is welcome. Given the resource constraints in bringing about urgently required grid reinforcement, BnM believes that adaptation of innovative solutions including non-wires grid forming technology to the greatest extent possible is fundamental in achieving our RES-E targets. To do this, plans to trial and implement innovative solutions beyond the QTP would be welcome.

## **Markets**

BnM is supportive of the deliverables identified under the markets incentive to enable the evolution of the current market design to achieve the 2030 targets. The two core work areas identified here are aligning markets to operational challenges of high RES-E and full integration of the SEM in the GB and EU markets. To do this there will be significant changes to the existing electricity market design, processes, and systems.

Separately, we note that the markets' incentive includes the following 'ongoing multi-year' deliverables:

- Future Arrangements - Phase 1 New Daily Auction and Transition from DS3 System Services to
- Future Arrangements; Phase 2: Fixed Term Contracts for zero carbon; and
- Phase 3: Development of new services and longer-term risk management of Future Arrangements'.

In Q3 2021 the SEM Committee commenced a consultation on the High-Level Design for System Services Future Arrangements<sup>2</sup>. In that context it is unclear to BnM that these deliverables are fully agreed. There is no doubt that these workstreams have merit, and BnM is actively engaged in this area, however we would ask that the deliverables are adjusted as appropriate once the SEM Committee has considered the responses to the consultation.

## **Operations**

This workstream is particularly important in enabling EirGrid, and generators to enhance their operations strategy to enhance the operational capability of the power system out to 2030. National targets for RES-E will see the integration of significant levels of renewable generation into the Irish energy mix. We note one of the proposed outcomes of this workstream for customers and market participants is "Operating the future power system with fewer conventional synchronous generators to accommodate large penetrations of variable non-synchronous RES and keeping curtailment levels to a minimum".

In that context we would highlight the unique benefits that Edenderry Power (EPL), a conventional synchronous generator, which in future will be fuelled by sustainable biomass – will be classified as 100% renewable generation. By being synchronous, dispatchable, providing inertia and electromagnetism, EPL is in fact helping bring more renewables on to the system by supporting grid stability with a low carbon solution. It will be important to ensure that new operation policies or rulesets enable plant with unique characteristics like EPL to be treated appropriately by the central market system.

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<sup>2</sup> SEM Committee Consultation Paper on HLD for System Services Future Market Arrangements (2021)  
<https://www.semcommittee.com/publications/sem-21-069-system-services-future-arrangements-high-level-design-consultation-paper>

The TSO has outlined an intention to publish an “Operational Policy Roadmap to 2030”. Which will set out a plan for evolving operational policy across a range of key metrics. The review period is every 2 years. BnM welcomes this initiative but we would ask that the plan be developed with a 10 year forward looking timeframe given the length of time changes take and the anticipated changes to the generation mix out to, and beyond 2030. We agreed with the four workstreams identified for the operations incentive, noting the updated increased ambition transition to 80% RES-E by 2030.

### **Engagement**

As a project developer BnM is acutely aware of the challenges that materialise in delivering infrastructure projects. The inclusion of a specific incentive related to increasing EirGrid’s engagement with key stakeholders to socialise the need for grid project and to foster support at grass roots level is encouraging. This targeted work should help to increase community acceptance of infrastructure projects ultimately benefiting consumers, the TSO and developers.