EirGrid Stakeholder Engagement Report 2022

Consultation Response Paper

May 2023



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1 Introduction

This paper (the 'Consultation Response') provides a detailed overview to the feedback received during the public consultation of EirGrid's review of stakeholder engagement activity during 2022. This document includes EirGrid's response to feedback received to our draft report. The <u>consultation on the draft Stakeholder Engagement Report</u> ran from the 27th April to 8th May 2023.

EirGrid is the electricity transmission system operator and market operator for Ireland. We believe that working together with all stakeholders - customers and industry, the public and local communities - leads to better outcomes that reflect all views.

Our approach to stakeholder engagement is one of continuous improvement. This consultation on our draft Stakeholder Engagement Report 2022 provided valuable feedback that we will use to improve our engagement. The aim of the Consultation Response Paper is to summarise the response we received during the consultation process, and to explain how we will respond to this feedback.

All feedback received was considered by the relevant parts of the organisation. Some comments submitted related to matters of policy and other areas that are outside the scope of the consultation. As a result, these comments have not been addressed in this response document. Any feedback that is not within scope of this consultation will be channelled to the relevant areas of the business for consideration.

We have developed this document to collate the feedback and our responses to it. The final Stakeholder Engagement Report 2022 will be published on our website.

2 Consultation Feedback

We received one response from Bord Gáis Energy (BGE), we would like to thank Bord Gáis Energy for taking the time to respond to this consultation.

BGE welcomed the opportunity to respond to this consultation, they noted in their response the 2022 Report demonstrates significant levels of engagement activities and learnings with stakeholders including customer clinics, public roadshows, and online engagement (e.g., operational growth of the consultation portal, and developments for a new communities website about the grid).

BGE further noted they believe that there remain areas of improvement for stakeholder engagement that should be addressed in coming years, and engagement reports. They provided their views on what should be the main areas for attention on stakeholder engagement by EirGrid in 2023.

As BGE's feedback was mainly focused on engagement improvements in 2023 and future years, we have also considered the feedback received in the finalisation of the Stakeholder Engagement Plan 2023.

The areas of improvement for stakeholder engagement covered in the BGE response are as follows:

- Grid improvement projects to alleviate constraints
- TSO/DSO collaboration
- Recommendations from the NSEE Panel
- Continued improvements to EirGrid's website
- Interconnectors, and Market Development and Operations

2.1 TSO/DSO collaboration

BGE Feedback

"Partnership and collaboration between the TSO and DSO is key to driving an optimised approach on the grid transition at best value delivery to the consumer. The 2022 Report recognises "...a heightened level of collaboration with ESB Networks in its role as the DSO1...". While the need for information sharing/discussions, policy/ protocol development and submissions to the CRU, and forecasting is recognised, we ask the SOs' collaboration and partnership puts immediate emphasis on grid constraint identification and alleviation to deliver the most impacting value for grid users and consumers as set out in the previous section.

We ask also that a clear plan on collaboration and interaction between the TSO and DSO is included to deliver efficient system services and manage the provision of services at a transmission level transparently to avoid any potential for the DSO to bid directly into the transmission system services market using distribution level capacity. There is a need for the SOs to provide precision for aggregation service providers (who participate on behalf of consumers) as to the engagement routes and mechanisms available, and clarity that the competitive procurement boundary to consumers (via suppliers, aggregators, and intermediaries) will be maintained."

EirGrid Response

ESB Networks, as DSO, operates the electricity distribution system in Ireland. The transition to a power system with up to 80% of its electricity met by renewable energy sources, with a significant portion of the new technologies connecting to the distribution system, will require a heightened level of collaboration with ESB Networks in its role as the DSO.

We both have challenging goals to achieve climate action targets and key to achieving these is partnership and collaboration.

In 2023 we will be collaborating with the DSO on:

- Operational policies, operational coordination, exchange of data and training
- Implementation of legislation and energy policy including EU Network Codes and Ireland's 2023 Climate Action Plan
- Initiatives and programmes, to address local and system challenges as the system becomes more diverse as we connect and implement a wider array of technologies
- Collaboration of DSO and TSO to ensure security of supply is maintained and to address customer needs as required

Success of our partnership will be measured as on track implementation of a programme of work developed jointly between EirGrid and ESB Networks and focused on the changes required to operational policies & tools and markets, as well as the enablement of new technologies, to meet 80% renewable energy by 2030.

As stated in the DSO/TSO Multi-Year Plan 2023-2027 published for consultation in recent months, the Joint System Operator Programme was established by the TSO and DSO in 2021 to ensure that the system operators are working together in a collaborative and effective manner to jointly address electricity system needs and deliver whole of system solutions.

The DSO/TSO Multi-Year Plan 2023-2027 includes a detailed three-year plan for 2023-2025 and a high-level two-year plan for 2026 and 2027. The requirements for EirGrid's Annual Stakeholder Engagement Reporting are set out in Annex 14 of CRU/20/154, the CRU's PR5 Regulatory Framework, Incentives and Reporting Decision Paper. It is of value to consider the DSO/TSO Multi-Year Plan 2023-2027 alongside EirGrid's Stakeholder Engagement Plans and Reports.

2.2 Recommendations from previous NSEE Panel Close -Out Reports

BGE Feedback

"The publication of the final NSEE Panel Close Out Report for 2021 was delayed to Q1 2023 as a result of significant time and resources being diverted to deliver a suite of Winter 2022/23 measures to support the consumer. It is recognised that EirGrid may not have had enough time to take the specific recommendations from that Close Out report on board.

There remain however a number of other recommendations made in previous years that are still relevant for EirGrid to implement to better evidence their 2022 Report including:

- evidencing the success of the impact of improvements such as the use of a wider range of quantified
 value delivery outcomes for stakeholders where possible. This could for example be showing savings
 against projected spend in Asset Management or percentage improvements on average speed of
 connections made,
- the steps taken to consider the success (or not) of the engagement activities and how to measure this success beyond "Impact of engagement", and
- the provision of clear success metrics within different categories from improved engagement with the DSO.

We ask EirGrid to use any opportunities identified to improve the 2022 Report to fully implement recommendations by previous NSEE Panels."

EirGrid Response

There have been a wide range of initiatives aimed at addressing NSEE Panel recommendations.

They include:

STEPS Partnership - In order to improve our stakeholder engagement processes and activities, EirGrid is working with the STEPS partnership at MaREI, the research centre for energy, climate and marine research and innovation at University College Cork. Our partnership with STEPS is scheduled to run until October 2024.

The centre comprises over 220 researchers focusing on defined global challenges such as the Energy Transition, Climate Action and the Blue Economy.

STEPS for Public Engagement with Energy Transitions in an era of Climate Crisis entails an impartial analysis of EirGrid's evolving public engagement processes, based on a mapping of actors, and a framework to codify different elements of existing strategies.

This approach simultaneously offers guidance and suggestions throughout the consultation and engagement process lifecycle, seeking to improve both engagement processes and outcomes.

This includes the completion of comparative case study in Ireland and France drawing insights from the Celtic Interconnector Project and an exploration of the community benefit funding programme.

Results to date include the mapping of public roles in energy system change and the synthesis of engagement in electricity grid system change. Researchers are actively engaged with a range of EirGrid Community Forum stakeholders which shall continue and expand. In 2023, the project expects to deliver a discussion paper on EirGrid's multi-step and deliberative engagement processes. It is EirGrid's objective that this collaboration will support additional measuring and evaluation of our approach to engagement.

Website - Significant progress has been made in developing a new EirGrid website that will enable communities explore queries in relation to the grid. (See section 2.3.)

Customer Survey - As part of our commitment to continuous improvement, the customer and connections team conducts an annual survey to gather structured feedback from our external customers on their experiences of engaging with EirGrid.

This feedback is very important and enables us to continue to improve and enhance our stakeholder engagement and drive customer service improvements where possible.

The 2021 survey took place in Q1 2022 and the feedback helped shape our approach during the year. EirGrid has since implemented improvements directly linked to topics that were raised in the survey. The primary themes were access to information, meetings, and wind dispatch down. From the feedback provided through the survey, EirGrid has implemented a number of changes.

2.3 Continued improvements to EirGrid's website

BGE Feedback

"We welcome the improvements noted to EirGrid's website including the operational use of the online consultation portal across a variety of consultations, and actions by EirGrid to develop a communities engagement webpage. Below are some suggestions for EirGrid around the operation of this consultation portal to maximise its utility. We note that for this consultation portal:

- EirGrid's feedback and decisions on closed consultations is not appearing with the consultations. Links to decisions related to the consultations in question on the portal should be provided to help close feedback loops for stakeholders, and
- Consultation panes are not correctly capturing the submissions made. Online submissions from all companies unless confidential should be accessible to all. This should include even those consultation responses sent to EirGrid via email if not confidential. Otherwise, there is not a holistic view of the level of stakeholder engagement on consultations.

We ask also that there is a deep dive by EirGrid on those consultations which realistically received zero submissions. This should be tested against EirGrid's engagement process to identify areas of improvement, to better understand why stakeholders choose not to engagement on particular topics, and what changes EirGrid should consider to improve the outcome. The lessons learned (including improvements made) should be presented to the next NSEE Panel and included in the next Stakeholder Engagement Report."

EirGrid Response

Feedback received from the customer survey and the consultation process on the draft Stakeholder Engagement Plan 2022 was taken into consideration for the broader redevelopment of the EirGrid website that is currently well advanced. Given the evolving needs of our stakeholders and our business, it is critical that we did adequate research and due diligence before undertaking this project. Our delivery date is this summer. The new website will prioritise ease of navigation, publication retrieval and information for the general public.

The suggestions regarding the consultation portal align with our intentions in terms of its utilisation. These suggestions are planned to be implemented from a Public Engagement perspective and EirGrid is putting in place additional administrative support to facilitate this.

2.4 Interconnectors, and Market Development and Operations

BGE Feedback

"The 2022 Report does not provide an update on EirGrid's activities for, or engagement with, stakeholders on alternative forward arrangements on the interconnectors. We ask EirGrid to keep stakeholders updated on the status of the SEM-GB Trading Arrangements on a regular/ quarterly basis albeit that there is a slow rate of change at present. Without regular updates some stakeholders may not be aware of the status on EirGrid's plans in this area. BGE believes that stakeholders would benefit from more regular updates by the TSO on progress (or not) on the SEM-GB Trading Arrangements.

We believe that the Engagement Reports should also outline the engagement by EirGrid on market developments and operations whether within SEM (such as the Scheduling and Dispatch Project for RES integration), or at a higher European level with ENTSO-E on projects and engagements relevant to market developments in the SEM. We ask that engagements with this relevance also feature in the Engagement Reports."

EirGrid Response

There has been very little activity in relation to forwards arrangements for interconnectors and this was advised at the Market Operator User Group (MOUG). We also committed to providing an update when one was available. However, the landscape remains unchanged. Currently, there is no legal basis for any such offerings as there is a process between the EU and GB that must be adhered to. However, the SEM Committee recently instructed the Interconnector Operators to explore the possibility of re-introducing Physical Transmission Rights (PTRs) and we are about to appoint a consultant to assist EIDAC, Mutual and Greenlink on determining if there is any merit or indeed legal mechanism for same.

EirGrid is currently considering the various regulatory and market frameworks spanning a variety of codes and packages to identify how best to tackle the next iteration of the SEM. This is predominantly (but not solely) driven by the Celtic Interconnector which prompts European re-integration of the SEM. Once we have made sufficient progress and have some draft options identified, we will initiate a consultation process as is normal for all market development projects to date. However, all participant views are welcome at any time.

The scope of the Scheduling and Dispatch Programme covers elements of the Clean Energy Package and related SEM Committee decisions on variable non-priority dispatch renewables, along with other issues such as the treatment of battery storage, the integration of synchronous condensers and an enduring solution for the integration of reserve services in power system operations.

The Scheduling and Dispatch Programme was initiated in 2022 and Phase 1 (Analysis and Planning) of the Programme concluded in Q1 2023. Phase 2 (Detailed Requirements and Design) commenced in Q2 2023 and is currently underway. Phase 2 will focus on detailed solution design and timelines for the delivery of each of the Scheduling and Dispatch initiatives will be defined as part of this process. Stakeholders will be kept updated on progress throughout Phase 2, with stakeholders updated as the detailed design progresses.