

ORESS 1

Frequently Asked Questions

April 2023

NOTE: Prospective ORESS 1 Applicants should refer to the ORESS 1 Terms and Conditions throughout. The following document is provided as a working document containing answers to frequently asked questions and is subject to change. The answers are provided for **information purposes only** and where there is any conflict between the answer provided here and the ORESS 1 Terms and Conditions, the latter prevails.

If you have any outstanding queries on Qualification or Auction processes, please contact RESS@EirGrid.com.

If you have any outstanding queries on Post Auction processes, please contact ORESS@decc.gov.ie.

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2 Version history

Revision History		
Revision	Description	Date
1.0	First publication	06/12/2022
2.0	Section 2 added; Post Auction related FAQ	04/04/2023

3 Qualification and Auction related FAQ¹

3.1 General Information

3.1.1.1 *Where can Applicants find information on the dates and times of the ORESS 1 Auction?*

We are currently operating to the latest ORESS 1 Auction Timetable (OR1AT) published as part of the [ORESS 1 Qualification Information Pack \(OR1QIP\)](#). Any update will be issued by email and made to the OR1AT document.

3.1.1.2 *Where can Applicants find draft forms for Qualification?*

The [Qualification Information Pack](#) was published on 28 November 2022 including:

- ORESS 1 Bid Bond Applicant Submission Form (OR1BB1)
- ORESS 1 Bid Bond Applicant Return Form (OR1BB2)
- ORESS 1 Application for Review Form (OR1AR)
- ORESS 1 Templates for Director Declarations (OR1DD's)

The below documents are not mandatory as part of Qualification. These forms should be completed and submitted, if applicable, during the relevant windows published in the ORESS 1 Auction Timetable (OR1AT):

- ORESS 1 Notice of Withdrawal Form (OR1NW)
- ORESS 1 Notice of Dissatisfaction (OR1ND)

¹ For questions relating to Qualification or Auction processes, please contact RESS@EirGrid.com

3.1.1.3 Are expressions of interest letters required from potential debt funders as part of the Declaration of Financeability (OR1DD3) described in section 6.3.6 of the ORESS 1 T&C's?

No, evidence of expressions of interest letters from potential debt funders are not required as part of the Declaration of Financeability (OR1DD3) described in section 6.3.6 of the Terms and Conditions.

3.1.1.4 What is a Project Information Document?

The Project Information Document or (PID) is a document detailing the key characteristics of an ORESS 1 Project, including technical and spatial characteristics, the proposed final Installed Renewable Capacity - which must be equal in MW to the Offer Quantity - and the anticipated annual output (in MWh) based on P50 estimates.

It is essential that the Offer Quantity, submitted in the Offer by the Auction Submission Closing Date, is equal to the proposed final Installed Renewable Capacity set out in the PID.

The Declaration of Project Information must accompany the PID at the same time as the Financial Questionnaire as per the ORESS 1 Timetable. These documents are not required at qualification. The documents must be submitted to DECC not EirGrid.

For further information on the Project Information Document please refer to section 6.5.2 of the ORESS 1 Terms and Conditions.

3.1.1.5 When is the Financial Questionnaire required and where do I submit it?

The Financial Questionnaire should be submitted to DECC by the Financial Questionnaire closing date as specified in the final ORESS 1 Auction Timetable (OR1AT). Please note, this is required in order to submit a valid offer.

3.1.1.6 How do I register onto the RESS Auction Platform?

To register onto the RESS Auction Platform please refer to the RAU1 form [here](#) and the RESS Auction Platform External Guide [here](#).

3.2 Qualification

3.2.1 General

3.2.1.1 *I am interested in participating in the ORESS 1 Auction, how do I determine if I am eligible?*

Eligibility requirements are set out in section 6.3 of the ORESS 1 Terms and Conditions. Projects that do not meet all of the eligibility requirements set out in section 6.3 of the ORESS 1 Terms and Conditions are not eligible and should not apply.

Please note, among the eligibility requirements are the Grid Connection Assessment (ECA1) and Maritime Area Consent (MAC) which are mandatory.

3.2.1.2 *Will a list of all participants who have been successful in their application to compete in the ORESS 1 auction be published ahead of the auction? If so when?*

No. Qualification decisions will be issued to each Applicant on a member private basis on the Provisional Qualification Decision Date. There is no provision in the ORESS 1 Terms and Conditions for a list of Qualified Applicants and Projects to be published before the auction.

For information on what information will be published post auction refer to section 9.5 of the [ORESS 1 Terms and Conditions](#).

3.2.1.3 *Can you clarify that the submission of documentation is via pdf upload on the RESS Auction Platform only and that hard copies of the submission are not required?*

Hard copies are required in addition to the pdf uploads. All documentation as part of Application for Qualification including all four Director Declarations required at this time must be sent in hard copy to the RESS Operations Team in the EirGrid offices via registered post at the below address:

EirGrid RESS Operations Team, Block 2, The Oval, 160 Shelbourne Rd, Dublin 4, D04 FW28, Ireland

3.2.1.4 *Can a chartered accountant certify the certified structure chart to be submitted as part of the qualification for application as an alternative to a solicitor?*

No, the organizational chart must be certified by a practicing solicitor who has an up to date practicing certificate and who is enrolled with the Law Society of Ireland and/or other native law society.

3.2.1.5 What is a Maritime Area Consent (MAC)?

The Maritime Area Consent (MAC) is a new State Consent process introduced under the Maritime Area Planning Act, 2021 to regulate the use of Ireland's maritime area. For further information on the Maritime Area Consent (MAC) please refer to section 6.3.4 of the ORESS 1 Terms and Condition.

3.2.2 Connection Assessment

3.2.2.1 What is a Grid Connection Assessment?

As per section 6.3.5 of the ORESS 1 Terms and Conditions an ORESS 1 Project is required to have received a Grid Connection Assessment in order to be eligible to participate in the ORESS 1 Auction.

A Grid Connection Assessment means a grid connection assessment **issued by the TSO** for the ORESS 1 Project in accordance with CRU/2022/14 Decision Paper on “Offshore Grid Connection Assessment - Phase 1 Projects”.

3.2.2.2 What is the difference between MEC and Offer Quantity?

“Maximum Export Capacity” or “MEC” means the maximum export capacity of an ORESS 1 Project as stated in its Grid Connection Agreement/Assessment.

Offer Quantity means the MW size of the ORESS 1 Project being offered into ORESS 1 as specified in the Application for Qualification, PID and in the Offer.

3.2.2.3 Can an Offer Quantity be larger than Expected MEC?

The Offer Quantity (1) cannot be greater than the Expected MEC and (2) cannot be greater than the maximum export capacity identified in an ORESS 1 Project’s application for planning permission.

For further guidance on this please refer to section 6.3.12 of the ORESS 1 Terms and Conditions.

3.2.3 Directors Declarations

3.2.3.1 Do director declaration forms require the director’s signature on them?

Yes, all four Director Declarations require signature by the director. The forms are by way of a sworn affidavit which is sworn before a practising solicitor/commissioner for oaths who would each know where such signature should be located on the form namely on the bottom left of the page. The format is pursuant to standard High Court templates and do not contain a line for the

deponent to sign but it is understood where this takes place. Please also include the director's name in block capitals below the signature.

3.2.3.2 Will it be possible to have the director declarations signed digitally?

No. These are sworn affidavits and must be signed before (i.e. directly before and in the offices of) a practising solicitor or Commissioner for Oaths and not separately by the deponent at home.

3.2.3.3 Will entities listed by the Applicant under section 6.3.8(c) remain confidential, and will not be disclosed to anyone apart from the TSO, the Minister, and the Regulatory Authority?

All information submitted in the Application for Qualification will be treated as confidential unless required to be published by the Terms and Conditions. The handling of Applicant information is addressed in the RESS Auction Platform.

On the Preference tab there is the following declaration:

Acknowledgment that for the purposes of the administration of ORESS 1, the Minister is authorised to use information related to the Applicant and the ORESS 1 Project, provided in the Application for Qualification, to communicate with the Applicant, the Regulatory Authority, the TSO and SEMO in order to ensure the proper functioning of ORESS 1 and to ensure the accuracy of information included in the relevant statutory instrument for the PSO Levy for the relevant PSO Levy Year.

On the Compliance tab there is the following declaration:

I acknowledge that all information provided to EirGrid for the purposes of the ORESS 1 Auction will be held by EirGrid only for the purpose of the RESS Auctions. EirGrid will hold this information securely in line with GDPR requirements and as set out in our Privacy Statement (links to both). We hold this information for the purposes of the ORESS 1 Auction procedure. The data will be stored electronically as it will be received electronically. EirGrid will hold all information in respect of the ORESS 1 Auction until 31/12/2044. The data will be deleted by electronic means on 02/01/2045.

3.2.3.4 We note that the dropdown options for the 'Entity Relationship to the Applicant' in the Entity Details section of the RESS Auction Platform do not include an option for entities which may become a Principal Owner prior to the Auction Submission Deadline date. Can you please clarify if the details of such entities included in Bidding Independence Declaration (OR1DD5) need to be filled out in the RESS Auction Platform and if so what dropdown option should be chosen?

Entities which may become a Principal Owner prior to the Auction Submission Deadline, which are listed in the Bidding Independence Declaration (OR1DD5), should be filled out in the RESS Auction Platform.

If there is a reasonable degree of certainty that the entity will become a Principal Owner before the Auction Submission Deadline, the entity should be listed in the RESS Auction Platform as a

Principal Owner. Otherwise, the entity should be listed as an "Entity to which Applicant has revealed Pricing Information".

3.2.3.5 Please could you confirm that expressions of interest from debt funders that reference the Offer Price are not required to be provided with the application?

As part of the ORESS 1 qualification process expressions of interests from potential debt funders are not required to be provided. What is required is the Declaration of Financeability (completed and signed by a director) that, *inter alia*, declares that the ORESS 1 Application for Qualification is financeable under the ORESS 1 Terms and Conditions at the time and at the Offer Price that is submitted by the Qualified Applicant.

3.2.3.6 Developers have been asked to sign each Declaration on the bottom left corner of each. Do you also require their name in block capitals there?

It would be useful to also include the name in block capitals under the signature in each director declaration.

3.2.3.7 Which Director Declarations need to be submitted with the application for qualification?

Four director declarations need to be provided in Application for Qualification. The Application for Qualification requires the following to be fully completed: -
OR1DD3, OR1DD4, OR1DD5, OR1DD10

Please note that the Declaration of Project Information (OR1DPI) is not required as part of Qualification. This document must be submitted to DECC at the same time as the Financial Questionnaire.

3.2.3.8 Where should the entity details list be included on the Director Declaration of Bidding Independence (OR1DD5)?

The entity details list should be exported from the RESS Auction Platform and appended to Exhibit A of the Director Declaration of Bidding Independence (OR1DD5)?

3.2.3.9 We have been advised that hard copies of the Director Declarations must, as well as being submitted via the RESS Auction Platform, be posted by registered post to the RESS Operations Team at EirGrid. This doesn't seem to have been mentioned in the Qualification Pack to date. Our question is - when is the final date for HARDCOPIES to be received by EirGrid.

Hardcopies are not required by the Qualification Application Deadline but should be sent as soon as possible.

3.2.3.10 How do I export the list of entities from the RESS Auction Platform to append to the Director Declaration of Bidding Independence (OR1DD5)?

As part of the submission of the Director Declaration of Bidding Independence (OR1DD5) the list of entities and their relationship are required to be appended to the Exhibit A section of the form.

To export this list from the RESS Auction Platform, navigate to the Entity Details tab of your ORESS application. Once all entities have been added and the application is saved, select the Export Entities field (this is the green field adjacent to 'Add New Entity' field). By select this field, proceed to download the export and append it to Exhibit A of the Director Declaration of Bidding Independence (OR1DD5).

For further guidance please refer to the External User guide [here](#).

3.2.4 Offer Quantity

3.2.4.1 When will the final competition ratio and the MW volumes of applicants competing in the auction be confirmed?

Representative Maximum Quantity and Representative Minimum Quantity are included in the ORESS 1 Terms and Conditions. The Final Competition Ratio will be published by the Regulatory Authorities and included in the Auction Information Pack. The Total Energy Available will not be published.

3.2.5 Bid Bonds

3.2.5.1 Can you confirm the date when bid bonds must be posted?

The Bid Bond Posting Date is 15th February 2023. Any bid bonds posted after this date will not be accepted.

3.2.5.2 For an entity entering several assets and associated bid bonds, can one bank transfer be made for the total bond amount required (including a reference of all individual ORESS 1 Application Reference numbers) rather than multiple individual project bank transfers?

As Per 9.3.1(b) of the ORESS 1 Terms and Conditions (where 'Applicant' corresponds to a single Application per each project), EirGrid shall only accept one Bid Bond submission per project.

3.2.5.3 Is there VAT to be paid on Bid Bonds?

No.

3.2.5.4 If a project posts a bid bond, and is successful in qualification, but following qualification decides not to participate in the auction does it lose its bid bond?

Where the Applicant has submitted a Notice of Withdrawal by the Final Withdrawal Date, it would not lose its bid bond. Where the Applicant has not submitted a Notice of Withdrawal by the above date and does not participate in the auction, it would lose its bid bond.

3.2.5.5 Will a project lose its bid bond?

- 1. If it's successful in qualification and then withdraws?*
- 2. If it enters the auction but withdraws before the auction closes?*
- 3. If it is successful in the auction and then withdraws?*

The answers are as follows:

1. It will not lose its bid bond if it submits the ORESS 1 Notice of Withdrawal Form (OR1NW) to EirGrid by the Final Withdrawal Date.
2. It will lose its bid bond.
3. It will lose its bid bond.

3.2.6 Practical considerations

3.2.6.1 Where will the applications be processed and by who?

All applications will be processed by RESS Operations Team in EirGrid on the RESS Auction Platform.

3.2.6.2 Where can I find the ORESS application reference number.

Your ORESS Application number will be assigned when you create an application in the RESS Auction Platform. The ORESS reference number is visible on the Application List page of the RESS Auction Platform.

3.2.6.3 Will it be possible to amend any details of the Application for Qualification after submitting it, if it is before the Application Closing Date?

There will be no option for the user of the RESS Auction Platform to reverse the submission of their application so we would like to emphasise the importance of reviewing all fields and documents prior to submitting the application. If an application is submitted in error, please reach out to the RESS Operations Team at RESS@Eirgrid.com.

3.3 Auction Information

3.3.1.1 Can you provide more details on the offer process and winner selection?

Details of the offer process and winner selection are set out in the ORESS 1 Terms & Conditions. Further details on the auction process will be included in the Auction Information Pack which will be issued on the Auction Information Pack Publication Date.

4 Post Auction related FAQ²

4.1 Implementation

4.1.1.1 *If successful at auction, what are the timelines for planning, implementation and delivery of the proposed project?*

These are set out in Appendix 2 of the ORESS 1 Terms and Conditions.

4.2 Unrealised Available Energy Compensation

4.2.1.1 *ORESS 1 contains the concept of Unrealised Available Energy Compensation (UAEC). Please provide a high-level summary of how UAEC works.*

The following summary outlines UAEC in principle in high-level terms and is for illustrative purposes only. The actual rules governing the application of UAEC are set out in the ORESS 1 Terms and Conditions and in subsequent CRU processes that will implement those Terms and Conditions. Those rules and processes contain and will contain more detailed provisions and conditions than are summarised here.

Compared to a hypothetical mechanism in which support is only provided per unit of energy *actually* produced, UAEC is intended to move the support much closer to being on the basis of energy that is *available* to be produced.

Actual energy produced by a generation project in a given hour can be less than the project's availability to produce energy in that hour for a number of reasons: oversupply, curtailment, constraints, system outages, and perhaps other dispatch-down instructions from the TSO (if any).

By providing ORESS support on the basis of a quantity closer to availability rather than energy actually produced, it is expected that per unit cost - and thus the Offer Price - should be lower in ORESS 1 than it otherwise would have been. This is for two reasons. The first is that project costs should be divided by a larger denominator. The second is that there should be less uncertainty to the project's owner surrounding that denominator.

UAEC is intended to apply primarily to the key categories of oversupply and curtailment, as those terms are commonly used in Ireland. Any additional revenue sources for unutilised availability arising for reason of transmission constraints or system outages are governed by SEMC and CRU decisions (refer in the first instance to [SEM-22-009](#), [CRU/2023/09](#) and [CRU/2023/13](#)).

² For questions relating to post auction processes, please contact ORESS@decc.gov.ie

The UAEC provision is intended to de-risk RESS participant exposure to uncertainty surrounding oversupply and curtailment. UAEC is not intended to address balancing risk or associated risks arising between the day-ahead and subsequent SEM markets, and putting those aside the following table summarises the principles upon which UAEC is based.

	SEM Payment		RESS Support		Total Payment (d)=(a)+(b)+(c)
	(a)		FIP (b)	UAEC* (c)	
Real-Time Physical Availability, represented by:					
(1) Energy actually produced (MWh)	Day-Ahead Market Price	Offer Price minus DAM Price**	-	Offer Price	Offer Price
(2) Oversupply (MWh)	-	-	Offer Price	Offer Price	Offer Price
(3) Curtailment (MWh)	-	-	Offer Price***	Offer Price	Offer Price
(4) Constraints (MWh)	Constraint payment (if applicable) per SEM and Article 12/13	-	-	-	Constraint payment (if applicable) per SEM and Article 12/13
(5) System Outages (MWh)	If applicable, compensation per CRU decisions/arrangements for shared connections	-	-	-	If applicable, compensation per CRU decisions/arrangements for shared connections
(6) Other dispatch down by TSO**** (MWh)	-	-	Offer Price***	Offer Price	Offer Price
Total Real-Time Physical Availability (MWh)					
<p>* Generator must have participated in SEM according to CRU terms, and must have followed dispatch instructions.</p> <p>** Any capacity revenue received is deducted from the FIP in the calculation of the RESS support payment.</p> <p>*** Any other compensation for availability is deducted from UAEC compensation, such that the total payment is the offer price.</p> <p>**** Could include other out of merit situations where the generator is dispatched down by the TSO because balancing market price < actual variable cost of generation, but for the avoidance of doubt this does not apply to constraints and system outages (refer to points 4 and 5).</p>					

Note that:

- UAEC applies in specific circumstances in each hour where an ORESS project has the availability to generate but where it didn't actually generate to the level of its availability. Specifically, UAEC applies to actual availability not converted to energy for reasons other than transmission constraints (network and local stability related constraints) and system/connection outages. The CRU will be responsible for ensuring that the TSO has an appropriate methodology in place for distinguishing between instructions to dispatch down that are issued for reason of transmission constraint and system outage vs. instructions to dispatch down for other reasons.
- As the table indicates, UAEC is in addition to remuneration from the sale of energy and is in addition to support that applies for energy actually generated.
- Any other compensation for availability is deducted from UAEC compensation (except compensation for constraints and system outages, for which UAEC doesn't apply, as set out in the table above).
- Actual availability must be measured and verified according to defined standards specified by the CRU. This will be a similar revenue quality standard to that which is applied to the metering of energy production.
- UAEC allows for payment for availability during periods of negative prices (it does not require generation during periods of negative prices and support will not be provided in the event there is generation during periods of negative prices).
- To be eligible for UAEC in an hour, the generator must have participated in the SEM under terms that will be specified by the CRU and offered its output at its variable cost (however it is not necessary that it secured a market position ex-ante). It must also comply with TSO operating instructions.