

Via email to: info@eirgrid.com

3rd December 2021

Re: TSO PR5 Imperfections & Constraints Multi-Year Plan 2022-2026 and the TSO PR5 RES-E Multi-Year Plan 2022-2026

To Whom it May Concern,

I am writing on behalf of the Demand Response Association of Ireland (DRAI), the trade association representing Demand Side Unit (DSU) providers in the all-island Single Electricity Market (SEM). By aggregating the otherwise passive electrical loads of individual consumers into substantial load portfolios, our members create predictable, reliable, and controllable assets, which provide a valuable source of Demand Side Flexibility (DSF) that can be actively used by system operators to meet the near-time needs of the power system.

Today, the DRAI represents approximately 600 MW of demand and embedded generation response across hundreds of industrial and commercial customer sites throughout the island of Ireland. These sites are managed by our members each of whom actively participate in the capacity, DS3, and energy markets.

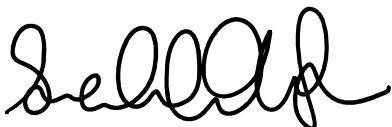
DRAI members are committed to shaping the future of power system flexibility through advancing DSF on the island of Ireland. As Ireland strives to achieve its renewable generation targets for 2030 and beyond, our promise as an industry-led organisation is to champion the development of innovative DSF solutions that are designed to address the system-wide requirement for flexibility.

The DRAI expresses a single voice on policy and regulatory matters of common interest to its members, and we welcome the opportunity to provide feedback on

- TSO PR5 Imperfections & Constraints Multi-Year Plan 2022-2026
- TSO PR5 RES-E Multi-Year Plan 2022-2026

We are providing a consolidated response to both plans given that a number of our comments apply to both.

Your sincerely,



Siobhán McHugh
DRAI CEO

GENERAL COMMENTS ON THE CONSULTATIONS

The DRAI recognises the importance of providing clear and transparent information on work that the TSO is carrying out under the PR5 regulatory framework in order to deliver better outcomes for customers and support Ireland's energy policy objectives.

In our responses to the suite of PR5 consultations the DRAI recognised the pivotal role of the TSO in delivering outcomes in the electricity sector and we emphasised the need for the TSO to have sufficient resources to deliver the required transmission system transformation.

We recognised the need to facilitate, incentivise, and monitor the delivery of the PR5 objectives by the network companies, and therefore supported the principles underlying the proposed 'Agile Investment Framework'. We also supported the requirement for additional reporting to facilitate the introduction, and expansion, of the output-based approach.

Our view was that concise information in relation to the performance of the TSO against its output-based incentives should be published regularly to inform market participants and electricity industry stakeholders.

During the PR5 consultation process, the DRAI agreed with the strong emphasis placed on uncertainty and flexibility within PR5. We recognise that significant levels of change will occur on the power system over the time period, in terms of national and international policy, technical advancements and the challenges of delivering world leading RES-E targets.

TSO PR5 Imperfections & Constraints Multi-Year Plan

We understand the importance of the focus within the PR5 incentives on imperfections and constraints, given the impact that these may have on the end customer. We also understand that the areas being targeted in the three proposed workstreams are among those that, based on current system operation, are likely to have a large impact on the overall quantum of imperfections.

Notwithstanding the dependencies called out in the document on "approval of our programme of work that will firmly set out target dates and objectives for the above initiatives" due to be completed in late 2021, the document itself is extremely vague in terms of describing the likely outcomes of the work – without this level of detail it is impossible to ascertain how the outcomes would be measured, assessed or deemed to have met any kind of review criteria. The proposed performance assessment for 2022 uses terms like "significant", "limited", "minor", etc which would seem to be linked to a measure of level of activity rather than outcome.

We also note that the workstream proposed on enhanced reporting is proposed to be 25% of the assessment yet is barely described in the document, with a vague acknowledgement that "there are various options to be considered and practicalities to understand before enhancements can be made".

TSO PR5 RES-E Multi-Year Plan

We recognise the set of priority areas that have been set out to focus on initiatives to further facilitate RES-E and welcome developments in terms of studies to be completed and operational policy reviews, among other stated objectives. The level of detail in the document is extremely high-level and it is therefore difficult to understand how success criteria will be measured. Likewise the performance assessment does not contain any metric for assessing quality of the work or specifically define the measures of success.

It is not clear if the proposed annual incentive is to be split evenly across the workstreams for the 3 years 2022-24 for which the plan has been outlined. For instance the Nodal Controller workstream is signalled to end in 2022. However we would note that the reference to the nodal controller trial and

implementation in the Multi-year DSO/TSO Work Plan Covering 2022 - 2026 Joint System Operator Programme has a potentially longer timeframe.

It is also worth pointing out that the document does not reference the joint programme of work at all, even where there are likely linkages and dependencies e.g. with the whole of system approach and initiatives around the dispatch down of renewables.

CONCLUDING REMARKS

The activities proposed in both of the Multi-Year Plans are welcome in the context of providing some clarity on the TSO's planned activity in relation to imperfections and constraints as well as the facilitation of RES-E.

We would however note that the level of detail provided is relatively scant and the ability to measure delivery and assess the quality of the outputs would seem to be limited. We hope that further clarity can be provided as plans are updated, so that industry participants can have a clear view of proposed work and understand when and how it will be delivered.