

Shaping Our Electricity Future (SOEF)

Advisory Council Meeting 06

Minutes

Date: October 12th, 2023

Time: 10:30 - 15:30

Venue: Clayton Hotel, Cardiff Lane, Dublin Ireland

Chairs: Liam Ryan, Alan Campbell

Council Member Attendees:

Name	Representing
Alexander, Mark	TSO
Basi, Jag (online)	Conventional Production
Blount, Paul	Renewables
Burke, Frank	Storage
Conlon, Michael	Academia
Diskin, Brían	Government
Duddy, Joe	New Technology
Finn, Paddy	Demand Response
Fitzgerald, John	New Technology
Garth, Kate	Renewables
Harte, Peter	New Technology
Hearne, Tony	DSO
McCormick, Robin	Consultancy
McHugh, Alan (online)	Consultancy
Mohr, Patrick	Consultancy
Morris, Neil	Large Energy Users
Mullan, Rory (online)	Renewables
Nee, Margaret	Renewables
O'Sullivan, Thomas	Large Energy Users
Rueda, Federico Londono (online)	Manufacturer
Smith, Donal (online)	Renewables

Apologies:

Name	Representing
Broomfield, Colin	Regulators
Cunniffe, Noel	Renewables
Diskin, Ellen	DSO
Harron, Trevor	DSO
Harvey, Nicholas	TSO
Hill, David	DSO
Howard, Seamus	Manufacturer
Junge, Carsten	Manufacturer
McArdle, Jane	Renewables
Melvin, John	Regulators
Mitchell, Fred	Large Energy Users
Mongan, Brian	Demand Response
O'Rourke, Robert	Regulators

Introduction - Liam Ryan, Chief Innovation and Planning Officer - TSOs

- Liam Ryan welcomed members and guests.
- Liam discussed the format and plan for the session.

SOEF v1.1 Markets Update - David Carroll, Head of Future Power Markets - TSOs, Alan Campbell, MD - SONI

- David Carroll provided an update on the ongoing progress with various SOEF v1.1 Future Markets projects including Scheduling & Dispatch, FASS, and planning for GB/EU Integration. He noted the workshop to be conducted today on Long Duration Energy Storage.
- Highlighted the need to deliver timely projects with beneficial outcomes, asking for flexibility and leadership from the Members - “don’t let the perfect be the enemy of the good.”
- Member happily noted the use of energy for Long Duration Storage versus only electricity.
- Member noted that ideally future markets would allow mechanisms for demand flexibility, e.g., electroboilers.
- Member asked if a separate working group could be established to review all EU market-related changes, so the Members and their companies could better support the TSOs. Additionally, Members noted the scale of these changes requires joined-up thinking, not piecemeal delivery. (**RA action, TSO will liaise, as RAs were not able to attend**)
- Members noted that the TSOs/RAs were driving market changes forward due to compliance reasons and not due to decarbonisation value. Prior to the next advisory council participants to feed in future market items that they believe need to be considered and advisory council will do a vote on complexity vs value. This needs to reflect also that there are certain legal requirements on the TSOs. (**Member action**)
- Ultimately the SEMC is responsible for final decision on any market changes.
- Alan Campbell discussed several topics:
 - It is good to see the progress to date on the Scheduling & Dispatch project.
 - SONI sought funding for the current and ongoing phase, phase 2, of Schedule & Dispatch in April 2023. The UR has a 4-month window to approve or reject.
 - Due to the importance of this work, SONI has worked at risk during this period as EirGrid had been awarded the full funding from CRU.
 - We understand that a decision from UR on SONI’s funding request is imminent.
 - This is very timely as the project is now ready to move forward at pace into the delivery phase, requiring further significant financial commitment from SONI, which we are unable to give without funding approval.
 - This does create a risk to the project but we are hopeful that a positive decision from the UR allows us to move forward to allow Northern Ireland users and consumers to benefit from delivery of this important project.

SOEF v1.1 Operations Update - Eoin Kennedy, Head of Future Operations - TSO

- Eoin Kennedy presented an update on the ongoing progress of initiatives within Future Operations. Noted the workshop to be conducted today on Hybrids.
- Member inquired as to firm dates for Hybrids policy and implementation of selected option. (**TSO action**)
- Member asked if anyone knew of papers available on how TSO/DSO integration would handle DS3 services.

SOEF v1.1 Networks Update - Louise O’Flanagan, Engineering and Asset Management, TSOs

- Louise O’Flanagan delivered a presentation to and fielded questions from the Members on the HV Interface Forum.
- Louise noted the successful outcomes achieved by the Forum and its ongoing work across Ireland.
- Member queried if the N. Connacht 110kV could be upgraded w.r.t. voltage capability. (TSO reply: No, that wasn’t in the planning when it was built. The teams are looking at future-proofing all new projects.)
- Member posited it would be worth having an industry workshop on the topic based on contestable build (TSO reply: Noted)
- Multiple Members agreed it was a very interesting presentation, shows tremendous innovation, and cooperation.

WEI/ESI Future Markets Working Group - Peter Harte, WEI/ESI FMWG

- Peter Harte presented an early look of findings and recommendation from the WEI/ESI Future Markets Working Group.

- Peter provided an overview of the problem statement, strawman, and listed several concrete recommendations that were likely to be in the final paper.
- Member noted the importance that procurement shouldn't look for a particular solution, but rather be open to innovation solutions. This would send a strong signal to industry that if you can solve challenges in a cost-effective manner, the TSO will contract with you.
- The TSO noted that for the next Advisory Council meeting, it would be useful to have Member input on [COST]-[BENEFIT] examples. (*TSO action* - reminder to community)
- The TSO noted that this should be formalised as a workstream, owned by the RAs.

Workshop: Hybrids- Aaron Keogh, Future Operations, TSOs

- All Members participated in one of the three separate workshops conducted on this topic.
- Aaron Keogh introduced the topic and discussed the staged approach to delivering the Hybrids implementation.
- The three workshops concluded with similar themes and questions, noted below.
- Member questioned how the complexity of managing MEC would be achieved, especially if TSO balancing actions are taken that may breach the max MEC.
- Member noted the importance of having flexibility in the MEC and the MIC.
- Member asked if, in the example of a wind and BESS unit being the hybrid units behind a shared connection, could the wind unit effectively “spill” to the BESS?
- (TSO reply: Still working through the design, but that would seem to go against the market design where explicit dispatch instructions are issues on a unit-by-unit level.)
- Members noted the complexity here is due to Wind-BESS combination. SOLAR-BESS, WIND-SOLAR combinations would be far less complex and likely the main beneficiaries of this first phase.
- Member noted that if multiple units were behind a single meter, this isn't complex.
- Member requested that TSO ensure onshore/offshore wind are not limited. (TSO reply: this is only for onshore as of now. Offshore in a work in progress.)
- Member noted that the TSO needs to maintain positive communications on this topic. The effort has been running for a long time and some observers feel they “will believe it when they see it.”
- Member noted that if BESS are being used to solve network challenges, a firm MEC is not helpful. Other Members noted the idea of “floating” MECs.
- Members requested the idea of “Flexible MECs” as a future SOEF topic. (*TSO action*)
- Member asked what happens between this Advisory Council Meeting and January?
- Member noted the need for sustained engagement. (*TSO action*)

Workshop: Renewable Hubs - Elin Ahlund, Transmission Power System Planning, TSOs

All Members participated in one of the three separate workshops conducted on this topic. Topics discussed in detail and organised below.

1. **Renewable Hub Development: Starting Point and Requirements**
 - Discussion on the starting point for EirGrid hub development.
 - Consideration of specific voltage and sizing requirements.
 - Mention of a possible call for evidence for immediate customers not in ECP.
 - Emphasis on using lead developers for EPC type projects.
 - The importance of Renewable Hubs in identifying EirGrid capacity for future generations.
2. **Location and Timing of Renewable Hubs**
 - The potential for using locational signals to guide hub development.
 - Concerns about the absence of hubs in certain areas, especially in the south.
 - The urgency of the project due to a limited timeline.
 - Risk of stranded assets in the short term, with a focus on the importance of net zero goals.
3. **Government Support and Funding**
 - The need for a call for evidence to support Renewable Hub development.
 - Discussion about Governments/RAs providing cover to developers regarding the risk of building Renewable Hubs.
 - The importance of financial recovery and certainty for developers.
 - Suggested need for a new funding framework for Renewable Hub and speaking with RAs for funding.
 - Reference to the NI cluster policy and GUDP (Grid Upgrade Development Programme for Renewables).
4. **Midlands Development and EirGrid's Specification**

- Midlands identified as a clear area for Renewable Hubs development.
 - Request for EirGrid's specifications and cost recovery guidelines.
 - Concerns about locational signals being too late, with a suggestion to act today for future land acquisition.
 - Exploring the possibility of connecting demand and batteries at RE Hubs.
5. **Future-Proofing and Decision-Making**
 - Support for providing space for future connections and development at hubs.
 - Discussion on least regret analysis regarding using developers now or developing infrastructure later.
 - Emphasis on taking action even if it involves making some mistakes.
 6. **Renewable Hubs Designation and Planning**
 - Discussion on when to declare an area as an EirGrid hub.
 - Inclusion of demand in RE hubs.
 - The need for a masterplan and proof of need for building hubs.
 - Exploration of designating areas for RES development at the county level.
 - Focus on the potential for long-term storage projects in the Midlands.
 7. **Probability of Success and Planning Permission**
 - Consideration of combining all probabilities of success and setting a threshold for hub approval.
 - Concerns regarding the current state of ABP (An Bord Pleanála).
 - Discussion of Repower EU and the need for synchronizing efforts.
 - The lack of a process to prioritize planning permission and the possibility of seeking planning for the entire connection.
 8. **Payment Security and Third-Party Merchant Hub Developers**
 - Emphasis on the security of payments over the timing of payments.
 - Consideration of third-party merchant hub developers and the requirement for TAO licenses.
 - The importance of building hubs to a high standard for their potential role in the future transmission network.
 9. **Development Timing and Clusters**
 - Discussion on the need to develop Renewable Hubs simultaneously with RE projects.
 - The importance of visibility of projects in planning.
 - Caution against forcing connections into clusters.
 - The need for clarity and potential changes in charging policy, along with the importance of engaging early in the development process.
 10. **Working Groups and Policy Development**
 - The need for active working groups, including regulatory authorities (RAs), and policy development.
 - Concerns about small developers' reluctance to be associated with Renewable Hubs.
 - Consideration of incorporating LDES (Long Duration Energy Storage) into hubs.
 11. **Closing Remarks**

The workshop highlighted the critical need for timely and well-planned development of EirGrid hubs, considering factors like location, demand, and developer engagement. Clarity in charging policy, the involvement of regulatory authorities, and active working groups were emphasised to ensure effective policy development and successful implementation. Developers were urged to embrace hub projects, which can be vital for the future transmission network and achieving net zero goals. The importance of acting swiftly, even with the potential for mistakes, was underscored throughout the discussions.

Workshop: Long Duration Energy Storage - Bryan Murray, Future Power Markets, TSOs

- All Members participated in one of the three separate workshops conducted on this topic.
- The three workshops concluded with common themes of support for LDES, a request the TSO begin market designs, and a willingness to support the effort via a TSO Call for Evidence.
- Members believe there is a clear need for Long Duration Energy Storage.
- Members agree there is a need to move forward and develop a market mechanism.
- Members agree and welcome a TSO call for evidence.
- Members note that the TSOs should not only take a 2030 view but also look further towards a net zero carbon future.
- Members support the “No Regrets” approach to have the TSOs progressing LDES design work as soon as possible.
- Members noted it’s important to consider how HEAT integrates with and/or is facilitated by the market design arrangements for LDES.

AOB - Liam Ryan, EirGrid

- Liam thanked the Members and all presenters for their presence at and contributions to a successful meeting.
- Liam noted the next meeting will be hosted in Dublin on 16 January 2024.
- **Call for input:** we welcome topics for discussion and presentation for future Advisory Council meetings from the Members.

Meeting Actions

#	Topic	Action	Owner	Due	Meeting Xref
1	Working Group, Future Markets	TSO agreed to consider working group for future markets that would look broadly across EU changes and seek Member company engagement.	RAs TSO to liaise	Next ACM	SOEF v1.1 Markets Discussion
2	Dates for Hybrid Option implementation	TSO agreed to revert with delivery timelines on Hybrids implementation.	Eoin Kennedy	Next ACM	SOEF v1.1 Operations Discussion
3	Future SOEF Topic	TSO agreed to consider "Flexible MECs" as a future SOEF topic.	Eoin Kennedy	Next ACM	Hybrids Workshop
4	Member input on Future Markets projects	Prior to the next advisory council participants to feed in future market items that they believe need to be considered and advisory council will do a vote on complexity vs value.	All Advisory Council Members	Next ACM (ideally 2 weeks in advance)	SOEF v1.1 Markets Discussion
5	Sustained Engagement	TSO to consider best approach to Member note - the need for sustained engagement across SOEF workstreams.	Margaret Hayden	30 November 2023	General Assembly Time