

## **Services we Offer**

The EirGrid Group Vision Mission & Strategy sets out objectives for the next 5 years. Our aspiration is to be a world leading grid company and to be a world leader in the integration of renewables. This strategy and the Groups values underpin the Groups commitment in terms of incorporating social and environmental trends. One of our values is to behave in a socially responsible manner. The Vision Mission Strategy and Values are included in the Annual Report 2013 which is publicly available on our website.

EirGrid publishes all its documents/reports in electronic format on our website with hard copies provided only on request. Our customer forums are available via webinars to cut down on travel by customers. Video and conference calls are promoted as an alternative to face to face meetings. Lync is available internally within the organisation to help facilitate meetings between our Dublin and Belfast offices without travel.

## **Connecting the customer onto the Grid**

The availability, quality, security and cost of electricity are key criteria as multinationals decide to invest in our local communities. EirGrid has seen a recent upsurge in the number of enquiries from companies interested in establishing data centres. There are a number of established data centres in Ireland, however they are typically connected to the distribution system.

During 2014 it became clear that a step change had occurred in terms of interest in Ireland as a location for digital infrastructure. A number of large scale data centre projects are making enquiries with regards to transmission connections.

Along with fibre connectivity, the availability, quality, security and cost of electricity supply are key criteria for these companies when assessing Ireland and Northern Ireland as a data centre location.

Typically, potential customers consider whether there is adequate generation capacity to meet demand in the long-term. They then evaluate how the electricity is generated, with most stating a preference for low carbon and renewable sources.

The cost of transmission infrastructure is also important - both the cost of the initial connection and the Transmission Use of System (TUoS) charges paid by customers.

Customers developing data centre projects typically target energisation dates that are within 18 – 24 months of entering in to the formal application process. However, full utilisation of capacity is dependent on the uplift of operations at a site. With respect to choosing a specific location, access to the transmission network is especially important for the largest data centres.

These large data centres connecting are all adjacent to strong sections of the electricity transmission system.

We are now working to connect large data centres for some of the biggest companies in the world. This represents huge growth. We estimate that, once connected, demand for electricity from the data centre sector will have trebled from where we were a year ago.

In addition to projects that are already in a formal process with EirGrid, there are additional connection enquiries that could lead to further significant growth in the sector.

We are committed to leading innovation in response to a constantly changing power system. In spring 2015 we published a revised grid development strategy. We reviewed the main network reinforcement projects - Grid Link, Grid West and the North South Interconnector. New options were presented for Grid West and Grid Link, which were well received by stakeholders.

We are also committed to leading innovation in response to a constantly changing power system. In this respect a key focus is on Smart Grids and DS3.

Electricity Demand and System Performance Electricity demand on the island of Ireland increased slightly over the calendar year 2015, compared to 2014. This growth is expected to be maintained reflecting economic recovery. Generation availability is a measure of the capability of generators to deliver power to the grid. In order for EirGrid Group to operate the transmission system securely and economically, generators must maintain a high rate of availability.

All-island generation availability for the 12 months up to October 2015 was 87%. Generation margins remained within the standard throughout 2015.

## **Demand Connections**

Over the past year, we have received applications and queries for an unprecedented increase in large scale demand, predominantly from data centres. To date, 284 MVA of data centre connections have accepted or are considering connection offers and a further 334 MVA of applications are currently awaiting connection offers. In addition to the customer projects already in formal processes with EirGrid, approximately 900 MVA of additional enquiries have been received for large demand increases at a number of locations across the island.

We have provided extensive support to these intensive demand customers, providing guidance or pre-feasibility studies on the connection options to enable them to choose suitable locations.

We have also facilitated advanced works packages, allowing customers to undertake initial works packages, in advance of firm contractual positions. In addition, we have enabled customers to build their own shallow connection works, giving them greater control over their timelines and costs.

## Innovation

The challenge of anticipating and evolving alongside a constantly changing power system is one which we enjoy responding to.

We are always looking for new ways to operate the electricity grid, with several pilot projects currently in operation. Leading this is the Delivering a Secure and Sustainable Electricity System (DS3) programme. The DS3 programme investigates how we can securely operate the power system with increasing amounts of variable, nonsynchronous renewable generation.

EirGrid Group are also members of European umbrella body ENTSO-E's Research, Development and Innovation Committee, and collaborate with a number of other research and innovation groups, including the National Science Foundation in the USA.

## Serving the Community

In December 2014 we published *Reviewing and Improving Our Consultation Process*. This comprehensive review, including independent reports from SLR Consulting and the Chartered Institute of Arbitrators, confirmed that changes were required to how we work with communities, businesses and government.

It shaped a new group philosophy – namely, that we must meet the needs of stakeholders if we are to deliver a grid that grows in tandem with the economic development of Ireland and Northern Ireland.

The review contained 12 commitments aimed at achieving a more community-focused approach to grid development. Significant progress was made in delivering these commitments during 2015.

The launch of our draft grid development strategy, *Your Grid, Your Views, Your Tomorrow*, in March 2015 was another significant step forward for EirGrid Group. This draft strategy was a response to feedback received from the public during consultations on major grid development projects. It also represented a key part of our efforts to encourage greater participation in our decision-making process.

*Your Grid, Your Views, Your Tomorrow* also reflected an updated view of the economic context for developing the grid. The strategy also incorporated our growing experience of promising new transmission technologies. It included a new regional option for the Grid Link Project and a hybrid option for the Grid West Project.

It also concluded that overhead lines are the best solution for the North South Interconnector. We continue to engage with local communities on this key project and have recently initiated a wide-ranging outreach and information campaign. This has resulted in meetings and dialogue with many community members on issues including undergrounding, environmental interests and health concerns.

**We are staffing community offices, holding regional discussion forums and are communicating more widely to better explain our plans.**

A key initiative has been the appointment of Agriculture and Community Liaison Officers across the island, as well as a public affairs lead in Northern Ireland. The development of a consultation handbook and toolkit, plus the adoption of “plain English” in our publications, further reflects our commitment to meaningful and accessible engagement. We seek to engage early with public representatives in Stormont and the Oireachtas, and across local government. This provides government feedback while also acting as an avenue to engage with local communities. Our Chief Executive appeared twice during the year at the Oireachtas Joint Committee on Transport and Communications. This was accompanied by outreach and walk-in sessions with Senators and TDs, which provided some valuable feedback. We also worked within the framework of the Government’s new Regional Action Plan for Jobs.

In tandem with this, we launched a new [EirGrid Group website](#). **The new site is aimed at making our brand more accessible to the public across the island of Ireland, providing easily understandable information in a more user friendly way.** Last February also saw EirGrid’s first GAA partnership with the sponsorship of the All-Ireland Under 21 Football Championship. As part of the sponsorship EirGrid introduced a new awards scheme that saw the best players from the championship recognised. This was followed by an announcement in September that EirGrid would be title sponsor of the 2015 International Rules test match. This saw Ireland regain the Cormac McAnallen Cup through a 56-52 win, in what was widely agreed to be the most entertaining series of recent years.

EirGrid’s business spans the length and breadth of the island of Ireland, mirroring the reach of the GAA making this sponsorship a perfect fit. Our role in managing and developing Ireland and Northern Ireland’s electricity grid ensures that young people, like the participants in this championship, have a bright future both on and off the field.

In tandem with the GAA, SONI launched its sponsorship of the Ulster Senior League in 2015. Like the power which SONI provides, grassroots rugby is at the heart of many communities across Ulster.

**In response to the feedback we received on public consultations, we made the commitment in January 2014 to carry out a review of our consultation process.**

There were four inputs to our review. These included a review of public feedback, an evaluation of international best practice in public consultation, and expert reviews carried out by SLR Consulting Limited and the Chartered Institute of Arbitrators. In December 2014, we published a review of our approach to public consultation. As part of this we committed to deliver a comprehensive programme of change in the way we manage consultation over the course of 2015.

The commitments we have delivered on include:

- **Developing a participative approach**

We produced our publications in plain English, with clear, straightforward information which will be accessible to all. We appointed Community Liaison Officers, whose role is to work with communities to develop long-term sustained relationships in their local areas. In assessing the most appropriate solution for grid development, we placed more emphasis on the effect of our projects on society.

- **Change our culture and processes**

We streamlined a process to investigate complaints or specific feedback. This is accessible through our website in the 'Contact' section. Our projects will be continuously reviewed to ensure project need, and that all information on the project is communicated in a transparent and consistent manner.

We recently circulated a consultation handbook to key stakeholders for their feedback. This clearly sets out how people can engage and participate in decisions which shape projects in their communities. Following feedback from our National Advisory Committee (NAC), our consultation handbook will be published later in 2016.

- **Encourage leadership & advocacy**

We implemented new regional discussion forums. These allow members of the public and interest groups to come together and discuss key areas of our work. For example in May this year, we held forums in Sligo, Dundalk and Cork, facilitated by Irish Rural Link, to discuss our Draft Grid Development Strategy. The forums generated good engagement among attendees and those who participated via live web streaming.

We continue to ensure that we operate in full compliance with European and international guidelines in relation to electromagnetic fields (EMF). The initial results of these changes have been encouraging, and feedback from stakeholders- from community up to government- has been positive. This process doesn't end with the delivery of our 12 commitments, and we continue to welcome your comments on how we can further improve our approach to consultation.

A similar process is also underway in Northern Ireland, where we hope to publish a review of consultation in the coming months.

## **EirGrid is also involved in:**

1. Harmonised Ancillary Service (HAS) annual consultation. The annual Regulatory decision process includes a consultation. Further to this requirement we take on board comments/feedback received during year and incorporate this into consultation process.
2. Other System Charges (OSC) annual Consultation. As per 1

3. Grid Code - has a formal review panel which consists of members of industry/customers. Any changes/developments are discussed at Joint Grid Code Review Panel meetings.

4. DS3 Programme - to determine and implement operational challenges to get 40% of electricity from renewable resources by 2020 per government policies - Advisory Council Industry Forums Consultations etc.

5. Each Grid Development project has a dedicated website with all relevant documentation available to the general public including an option to give feedback.