

Firm Access Methodology in Ireland "EirGrid – proposed methodology"

SEM-22-068 27/09/22

EXECUTIVE SUMMARY

Introduction

The purpose of this paper is to set out, for consultation, a proposed new Firm Access methodology in Ireland. This paper is being presented by the SEM Committee for consultation. A Firm Access Methodology offers a trade-off between promoting investment in generation and protecting consumers from higher levels of constraints costs.

Since 2017 the CRU has been examining the impact of connection policy and Irelands ambitious renewable targets. Following extensive consultation over a number of years the CRU introduced a new connection policy Enduring Connection Policy (ECP-1 in 2018 and ECP-2 in 2020). In those decisions the CRU directed the system operators (EirGrid and ESB Networks) to issue connection offers on a <u>non-firm basis</u>. This was a move away from the previous policy in which connection offers were issued on a firm basis.

The objective for ECP-1 and 2 was to enable well-developed projects which are 'shovel ready' to connect to the network in a reasonable timeframe. If system operators were required to issue firm connection offers to generators applying under ECP-1 then it would need to undertake complex, and time-consuming deep reinforcement schemes before enabling projects to connect. These could take a number of years to complete, adding further delays to generators which have been waiting several years to connect. Through enabling non-firm offers to be issued, it allowed generators to be issued with offers and connect more quickly.

In June 2020 decision paper (CRU/20/060) Enduring Connection Policy Stage 2 (ECP-2) the CRU directed the TSO to develop a new methodology in Ireland to schedule Firm Access Quantities (FAQs) for contracted projects based on network development plans. The level of Firm Access available in the transmission network for a generator is that generator's FAQ. Following that decision EirGrid commenced development of a new firm access methodology for Ireland. EirGrid has proposed the following as part of their updated methodology:

• The new methodology will provide time bound Firm Access dates, initially

derived based on the timeline for delivery of planned reinforcements, but not directly linked to the final completion of these specific reinforcements.

- Firm Access will be allocated via <u>annual reviews</u>. The review will cover any connected and committed non-firm generators.
- Annual reviews will also provide <u>location signals</u> for future Firm Access capacity based on the TDP.
- Firm Access test for renewable energy sources will consider a minimum level of acceptable constraint (Firm Threshold). This threshold will be reviewed on an annual basis. Where the analysis demonstrates that constraints are expected to be below this Firm Threshold, that generator will be granted Firm Access.
- An MEC "floor" of 1 MW will be applied. Firm Access is not considered relevant below this level.

Background

The purpose of firm access is to achieve a balance between granting generators access to the network in advance of transmission network reinforcements while protecting the end consumer from high constraint payments. This will help facilitate the connection of renewable generator projects towards Irelands ambitious renewable electricity targets for 2030.

Firm Access is primarily related to receiving compensation payments when dispatched down, a unit which has no firm access will receive no compensation for lost output. Generators connecting to parts of the network with available capacity can receive firm access, while generators in parts of the network with limited capacity can connect on a non-firm basis.

It should be noted that firm access is separate to the physical access a generator would achieve to the transmission system once all deep connection work is completed. The concept of firm access is a market measure which flows through the SEM settlement process as set out in the Trading & Settlement Code (TSC) which determines the compensation payments a generator will receive when it is dispatched down (constrained) from its original market position.

The previous Firm Access methodology for Ireland (Gate 3 ITC approach) was similar to the equivalent firm access approach in Northern Ireland. However, these approaches had some differences in practice with Ireland's approach carried out in batches and so has not been open since the Gate 3 Group Processing Approach closed. The Northern Ireland Firm Access approach has operated on a continuous basis.

Firm Access Methodology

In December 2021 EirGrid published the Firm Access Methodology Review paper, this paper set out their proposed core concepts and approach taken in the development of a new Firm Access methodology in Ireland.

In June 2022, following engagement with industry and the RAs, the TSO (EirGrid) submitted an updated Firm Access Methodology Review paper which is published alongside this consultation paper.

In section 3 of this paper and in table 1 below the proposed methodology is summarised and includes the RA's assessment of different key elements and provides a comparison to the previous Gate 3 ITC approach in Ireland.

Consultation

This paper is being presented by SEM Committee for consultation on behalf of the RAs.

In light of the impact that firm access policy may have on the SEM, the CRU engaged with SEM Committee regarding EirGrid's proposed methodology. Following consideration the SEM Committee decided that Firm Access policy on the island is a SEM matter and therefore should be consulted upon on an all-island basis.

Further detail is required on certain elements of the methodology, EirGrid are requested to provide this information during the consultation. The proposed Firm Access methodology if decided upon will be implemented in Ireland only.

In section 3 of this paper the RAs ask respondents for their views on several different elements.

In section 4 of this paper the RAs provide a summary of these consultation questions.

A summary of the EirGrid proposed methodology is outlined in the table below.

Element	Description	Previous Gate 3 ITC approach	RAs assessment
Time bound Firm Access date	Generators are guaranteed to receive Firm Access on the date associated with a Scheduled FAQ offer.	Generators receive FAQ only once Associated Transmission Reinforcements (ATRs) are completed.	Proposed approach provides more certainty for investors in generators but may increase the constraints costs risks for end consumers.
Partial Firm Access quantities	EirGrid proposed an updated approach whereby a generator cannot be firm for the total MEC, partial Firm Access in blocks of 20 MW will be considered.	Gate 3 ITC process offered FAQ in granularity of 0.5MW.	Partial FAQ approach may add more complexity to the allocation programme versus the original proposal. However larger discrete blocks (e.g. 20MW blocks) than previous ITC granularity of 0.5MW. The RAs note that this is also positive for locational signals and therefore competition.
Stage of development	EirGrid proposed an updated approach to allocate Firm Access to committed projects (beyond Consents Issue Date).	Contracted projects were considered in ITC process.	The stage of development at which a project becomes eligible for Firm Access represents a trade-off between investor confidence pre-connection and efficient allocation. Proposed approach by EirGrid has the effect of reducing uncertainty for generators and investors before connection.
Batteries and other service providers	EirGrid proposed that for the purposes of the Firm Access methodology, Firm Access for service providers is outside scope.	Different approach taken.	The RAs note the level of uncertainty in this area but also the trend of increased storage in recent years. RAs recognise the increasing importance of battery storage and need to facilitate the increased inclusion of this technology.
Maximum Export Capacity (MEC) floor of 1MW	EirGrid describes a MEC "floor" of 1 MW will be applied, with Firm Access not considered relevant below this level.	No change, MEC floor of 1 MW applied to ITC.	MEC floor of 1 MW currently aligns with the controllable limit.

Allocation frequency	EirGrid proposes that Firm Access will be allocated in the form of an Annual Review process.	ITC programme was run in batch format, not a regular recurring process.	The result of this approach is that generators that are non-firm in one year may end up receiving Firm Access in a subsequent year. Generators connecting in later years have a transparent route to Firm Access.
Firm Threshold	The Firm Threshold is the threshold at which the maximum level of acceptable constraints for a network area is met in a year of analysis.	Gate 3 ITC programme operated on a n-1 transmission planning standard.	Precise method for calculating the Firm Threshold for a given year or how different Firm Thresholds for different locations might work in practice, will require more detail from EirGrid.
Transmission Development Plan basis	EirGrid's proposed forward-looking assessment used to determine Firm Access dates for Scheduled FAQs is based on the latest Transmission Development Plan.	Gate 3 ITC did not include a forward- looking assessment.	The information in these reports can strengthen the locational signals from the Methodology to potential connections. The information may also increase investor confidence more generally as uncertainty about the future likelihood of Firm Access is reduced.
Order of allocation	EirGrid proposed an updated approach 'First to commit – first to be Firm allocation order'.	Gate 3 ITC programme used date order allocation of applicants for scheduled firm capacity.	Transparent and practical approach. The transparency of this approach in turn promotes fairness.
Look back and look forward approach	EirGrid proposed that at a high level the new methodology would be composed of two steps, a look back and look forward step.	ITC programme run more comparable with look back approach.	In the look back step an annual review is carried out, generators in areas with capacity will be granted Firm Access. The look forward step provides a locational signal for future new capacity.

Table 1: Summary of Firm Access design

Next Steps

The RAs are seeking comments from interested parties on the methodology set out in this paper. Responses should be submitted to electricityconnectionpolicy@cru.ie and Brian.Mulhern@uregni.gov.uk by Tuesday,08 November 2022. Once responses have been received and considered, the RAs are aiming to publish a final decision on the Firm Access Methodology in Ireland in the coming months. The RAs will continue to engage with EirGrid on the detailed aspects of the Firm Access methodology in Ireland.

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Glossary of Terms and Abbreviations

Abbreviation or Term	Definition or Meaning
1999 Act	Electricity Regulation Act, 1999
ATR	Associated Transmission Reinforcements
CRU	Commission for Regulation of Utilities (formerly, Commission for Energy Regulation)
DECC	Department of the Environment, Climate and Communications
DSO	Distribution System Operator (ESB Networks)
ECP	Enduring Connection Policy
ECP-1	First stage of the Enduring Connection Policy; includes the 2018 batch and non-batch processes.
ECP-2	Second stage of the Enduring Connection Policy.
FAQ	Firm Access Quantity
GPA	Group Processing Approach
MEC	Maximum Export Capacity
MW	Megawatt
Non-GPA	Non-Group Processing Approach
PR5	Price Review 5 for TSO and DSO

RA	Regulatory Authorities
SEM	Single Electricity Market
TSO	Transmission System Operator (EirGrid)

1. Introduction

1.1 Background

Legal context in Ireland

Under section 34 of the Electricity Regulation Act 1999, as amended, (the 1999 Act), the CRU may give directions to the transmission system operator (TSO) and distribution system operator (DSO), collectively the "System Operators" (SOs) on the terms and conditions of access to the distribution and transmission system.

The CRU's functions and duties are set out principally in section 9 of the 1999 Act. Section 9 (4) (a) of the 1999 Act, the CRU shall carry out its statutory functions in a manner which does not discriminate unfairly between relevant stakeholders, and also have regard, among other things, to the need to:

- protect the interests of final customers and to secure that all their reasonable demands for electricity are satisfied;
- promote the continuity, security, and quality of supplies of electricity;
- promote competition; and
- promote efficiency and the use of renewable, sustainable, or alternative forms of energy.

The CRU has a requirement as set out in EU legislation (Article 59(7)) to approve national methodologies such as this Firm Access methodology. It is in the context of this approval requirement that the RAs are carrying out this consultation. The purpose of this paper is to set out EirGrid's proposed methodology and outline the RA's initial assessment of this. This paper sets out consultation questions on the proposed methodology.

SEM matter

The RAs are consulting on the issue of Firm Access methodology as the SEM Committee determined that this is a SEM matter. Section 8A of the 1999 Act defines a SEM matter as:

(5) For the purposes of this Act a matter is a SEM matter if the SEM Committee determines that the exercise of a relevant function of the Commission in relation to that matter materially affects, or is likely materially to affect, the Single Electricity Market.

Background of Firm Access in Ireland

Firm Access is a concept which has been reflected in Ireland since 2001. In December 1999 the CRU directed the TSO (ESB) to make connection offers to the transmission system on a shallow rather than on a deep basis. Deep connection charges were seen as difficult and arbitrary to apply in practice making them potentially discriminatory and not cost-reflective. This created the issue that until the deep connection works were completed, the TSO was not able to offer firm transmission system access at the full connection capability in all instances (depending on generators location). Severe grid congestion was an issue during this period, particularly in the east coast which was, at the time, the focus of interest of prospective new entrants to the generation market.

To address these issues the CRU issued a consultation on Firm Access in January 2001, two workshops were held (in March & April 2001) and then a draft direction was published in May 2001. In June 2001 the CRU issued the final determination directing the TSO (ESB) to implement a Firm Access methodology (CER/01/072). This direction was introduced as a temporary measure set to be in place for three years, the CRU extended this direction in 2003 for two additional years in CER/03/036. The CRU determined a modification to the TSC (Ireland only) in 2001 (CER/01/111) reflecting compensation linked to the Firm Access status of a generator.

The Group Processing Approach (GPA) for grid connection was introduced in Ireland in December 2004 with Gate 1 (370MW), with Gate 2 (1300MW) launched in 2006. Gate 1 and Gate 2 generators were non-firm for their full MEC until associated transmission network reinforcements were completed. These non-firm generators would not receive compensation payments when dispatched down. In July 2005, the CRU directed the TSO (ESB National Grid) (CER/05/107) to allow access to the system for renewable generators issued under group regime in advance of all deep reinforcement works being completed (on a non-firm basis). These renewable generators were required to install equipment necessary to enable their plant to be dispatched down by the operator.

The Gate 3 batch opened in 2008 providing approximately 6000MW (3900MW RES) of connection offers. EirGrid's Gate 3 Incremental Transfer Capacity (ITC) process

for connecting generators to the network involved the calculation of the Firm Access Quantity (FAQ) for each generator and the allocation of Associated Transmission Reinforcements (ATR) (CER/08/260). The date of completion of these ATRs defines the FAQ date for a generator i.e. the date when it will have Firm Access. Only once these related reinforcements were completed was the FAQ status changed allowing the generator to receive compensation. FAQ is a market related quantity which means if the output of a generator is changed by the Transmission System Operator (known as 'constraint'), then it may be eligible for financial compensation as set out in the Trading & Settlement Code.

The ITC (Incremental Transfer Capability) program was a computer program used by EirGrid for the Gate 3 project. The ITC program determined the amount of extra electricity that the transmission system could accommodate from a proposed applicant's facility without breaching thermal network limits. It identified firm capacity available in the transmission system and allocated it to the Gate 3 applicants on a date-order basis.

The program examined each project for each year from 2010 to 2025 (or until such time as the project obtained Firm Access for its requested Maximum Export Capacity (MEC)). At the end of each year an agreed program of upgrade works was added to the network models to reflect the on-going development of the transmission system. Reinforcements were prioritised as much as practically possible to provide as much Firm Access as quickly as possible to those applicants known to be receiving an offer under Gate 3. This process was subject to an independent technical audit, with CER publishing a Terms of Reference for this audit in 2009 (CER/09/191). Ireland's Firm Access policy has not been reviewed since this process closed for the Gate 3 batch. Figure 1 below provides a summary of the different Firm Access methodologies developed in Ireland.

This Gate 3 ITC approach in Ireland was similar to the equivalent firm access approach in Northern Ireland. However, these approaches have some differences in practice with Ireland's approach carried out in batches and so has not been open since the Gate 3 Group Processing Approach closed. The Northern Ireland Firm Access approach has operated on a continuous basis.

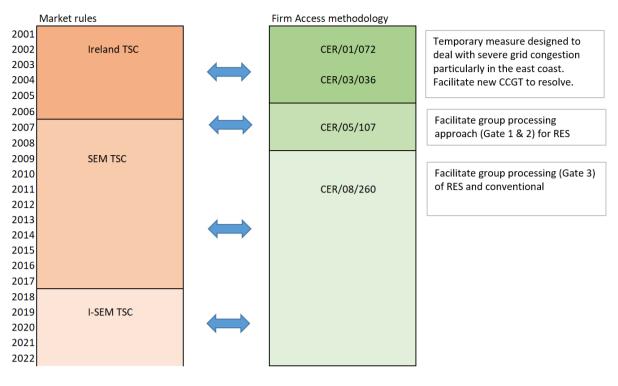


Figure 1: Summary of Firm Access in Ireland

On the 27 March 2018 the CRU published its decision on the development of enduring connection policy in Ireland, ECP-1. This policy decided that connection offers were to be issued on a non-firm basis. ECP-2, the second stage of the CRU's development of enduring connection policy in Ireland, opened in 2020, with offers issued on a non-firm basis.

In its June 2020 decision paper (CRU/20/060) Enduring Connection Policy Stage 2 (ECP-2), the CRU directed EirGrid to develop a new methodology to schedule Firm Access Quantities (FAQs) for contracted projects based on network development plans. This paper stated that offers would continue to be issued on a non-firm basis until this new mechanism for scheduling FAQs was in place.

Decision paper CRU/20/060 set out that:

- The high-level principle of providing generation and applicable storage connections with a schedule for Firm Access quantities for transmission capacity will remain in ECP.
- The TSO will design and develop a new methodology to schedule the FAQs possible for contracted projects based on the Transmission network development plans.

- The methodology will incorporate transmission capacity assumptions based on the high-level principles of ensuring network safety, security of supply and economic transmission development, whilst delivering the Government's 70% renewable target in the forthcoming years.
- As per pre-ECP projects that had scheduled FAQs, transmission reinforcements specific to each generator that determine the scheduling must be completed before Firm Access is allocated to the relevant generator.
- Location will be a significant contributory factor to the timelines for Firm Access availability.

An objective of ECP-2 decision (CRU/20/060) was that it could be implemented on a practical and timely basis and therefore offering non-Firm Access supports this objective. The nature and range of studies which are necessary to assess deep reinforcement needs for the grid require significant consideration and time to complete.

The 2020 decision paper described the CRU's view that the ECP-2 timeframe was now the correct time for the EirGrid to design and develop a new methodology for FAQ scheduling. This view was based on:

- Clear Government targets for RES-E% of 70%¹ by 2030;
- The central strategic objective of the EirGrids Price Review 5 (PR5) of facilitating a secure low carbon future. This will be met in part by allowing the network companies to efficiently manage and develop the networks in order to increase the penetration of renewables;
- Clarity from the Clean Energy Package Regulation and Directive on related areas.

Delivery incentives on the TSO

In the CER's direction to the TSO (ESB) to implement a Firm Access methodology (CER/01/072) an incentive was described in paragraph 24 whereby the TSO would be exposed to a portion of any additional constraint costs associated with delays in completion of Shallow Connection Works and Deep Reinforcement Works.

¹ Now 80%

In the subsequent Firm Access methodologies (CER/05/107 and CER/08/260) which applied to the Group Processing Approach for grid connection (batches Gate 1 to Gate 3) generators were non-firm until the associated transmission network reinforcements were completed. This linking of Associated Transmission Reinforcements (ATRs) with the Firm Access Quantity (FAQ) removed any possibility of additional constraint costs being created due to delays in completion of reinforcement works. This design decision of the linking of ATRs with awarding of FAQs shielded end consumers from any exposure to potential additional constraint costs. This meant that any delays in ATRs affected the Firm Access of the associated generator. This has meant that delays in reinforcement works have been closely scrutinised by affected generators, putting an incentive on the TSO to provide status updates to affected stakeholders and to deliver these works on time.

Price Review 5 ('PR5') is the CRU's decision on the network companies' revenues for the 2021 to 2025 period and examines the cost and performance over the previous five years (2016 to 2020) of the network companies. As part of this, the network companies are subject to performance incentives. None of these PR5 performance incentives directly interact with EirGrid's proposed approach to Firm Access but some have indirect interactions, such as the imperfections and constraints performance Incentive. The objectives of the Firm Access Methodology appear aligned with EirGrid's PR5 renewable generation and planning performance incentives. The Imperfections and Constraints Performance Incentive incentivises EirGrid to develop a methodology that supports investor confidence without resulting in excessive risks of increased constraints costs.

Firm Access methodology proposal

In December 2021 EirGrid published the Firm Access Methodology Review paper. This was following the CRUs direction in ECP-2 (CRU/20/060). EirGrid's review paper set out EirGrid's proposed core concepts and approach taken in the development of a new Firm Access methodology.

Following engagement with industry and the RAs, EirGrid submitted an updated Firm Access Methodology Proposal paper in June 2022 reflecting this feedback. This paper is published alongside this consultation paper. Section 3 of this paper summarises EirGrid's proposed methodology and outlines the RAs assessment of different key elements.

Purpose of Paper

The RAs are seeking comments from interested parties on the proposed methodology set out in the attached EirGrid paper and in this paper. Responses should be submitted to electricityconnectionpolicy@cru.ie and Brian.Mulhern@uregni.gov.uk by Tuesday, 08 November 2022. Once responses have been received and considered, the RAs expect to publish a decision on the Firm Access methodology in Ireland in the coming months.

Related Documents

- CER/01/072 Firm and Non Firm Access to the Transmission System direction
- **CER/01/111** Firm and Non Firm Access to the Transmission System decision
- CER/03/036 Commission Decision on Future of Direction on Firm and Non Firm Access to the Transmission System
- CER/05/107 Renewable Connection Offers and Transmission Reinforcement Works
- CER/08/260 Criteria for Gate 3 Renewable Generator Offers & Related Matters
- CER/09/031 Treatment of Conventional Generator Connection Applicants;
- CER/09/191 Direction on Conventional Offer Issuance Criteria and Matters Related to Gate 3;
- CER/11/102 Celtic Decision on calculation of interim Firm Access Quantities for Gates 1 & 2 Generators;
- CRU/20/060 Review Enduring Connection Policy Stage 2 (ECP-2) Decision.

Structure of Paper

This paper is structured as follows:

- Section 1 provides an introduction and background information to this paper;
- Section 2 sets out, generally, Firm Access methodologies, the legacy ITC approach and direction from CRU to develop new Firm Access methodology;
- Section 3 sets out a summary of EirGrid's proposed Firm Access methodology;
- Section 4 sets out a summary of the consultation questions; and
- Section 5 sets out the next steps.

2. Firm Access methodologies

2.1 Firm Access Methodology Principles

The purpose of Firm Access is to achieve a balance between granting generators access to the network in advance of transmission reinforcements and to protect the end consumer from high constraint payments through better locational signals. Generators connecting to parts of the network with available capacity can receive Firm Access, while generators in parts of the network with limited capacity can connect on a non-firm basis.

The concept of Firm Access is a market-based quantity which primarily relates to compensation payments when generation is dispatched down from its original market position. When a generation unit is dispatched down it may be entitled to compensation from the Market Operator for lost output, this payment of compensation depends on several factors including its Firm Access status.

Firm Access can support investment in generation by allocating Firm Access rights. In doing so, the methodology can provide signals to the market by rewarding generators connecting in preferable parts of the network. However, Firm Access rights increase curtailment costs which are ultimately passed down to the consumer. These costs can be mitigated by allocating Firm Access to generators that are unlikely to be constrained off.

A Firm Access methodology attempts to both:

- 1. Promote investment in Generation
 - Provide certainty on access rights earlier in the development process
 - Increase the certainty on the nature and timing of access rights
 - Increase the likelihood of being allocated Firm Access at an earlier date
- 2. Safeguard consumer costs
 - Minimise current and future constraint costs
 - Incentivise efficient network and generator investment
 - Share risks in a cost-reflective way

There is a trade-off between promoting investment in generation and safeguarding consumer costs. Increasing certainty on the nature and timing of access rights increases the risk of current and future constraint costs. If access rights are granted based on forecast constraints, more of the costs of forecasting errors will be borne by end consumers.

There is also a trade-off between providing certainty on access rights early in the development cycle of the project and increasing the likelihood of a generator being allocated Firm Access. Generators are more likely to be allocated Firm Access when access is only allocated to projects which are completed. Providing access rights earlier in the development cycle means that access may also be allocated to projects which will not be completed. Measures such as the inclusion of a longstop date could help alleviate concerns like this. Allocation of Firm Access rights earlier in the development cycle also means that forecasts of future constraints could be less accurate, negatively impacting the ability for Firm Access to be accurately allocated in a cost-reflective way.

Sharing risks in a cost-reflective way helps incentivise efficient network and generator investment and minimise current and future constraint costs. By appropriately exposing generators to the risks of non-Firm Access resulting from their planned size and location, a cost-reflective methodology will mean that investors should take the risk of future and current constraints into account. Sharing risks in a cost-reflective way should also mean that the costs of constraints should not be excessively placed on the consumer.

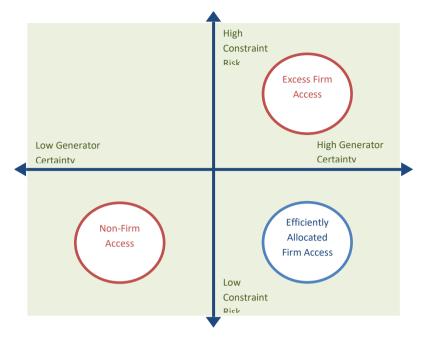


Figure 2: Trade-offs in Firm Access

The Firm Access Methodology aims to deliver sufficient investor confidence to deliver the desired investments in generation while minimising consumer costs. To do this, it should ensure that:

- The amount of Firm Access granted for a region minimises future constraints costs while delivering sufficient investment to meet RES-E targets and strategic objectives
- The benefits of increasing investor certainty through the Firm Access methodology are measured against:
 - The risk of future curtailment costs
 - The contribution to achieving RES-E targets/strategic objectives
- The methodology incentivises investments that are less likely to increase future constraint costs, and disincentivises investments that are more likely to increase future constraint costs.

2.2 Level of firm versus non-firm generation in Ireland

The RAs understand from correspondence with EirGrid that there is circa 1.4 GW of connected legacy generation in Ireland which remains non-firm, with approximately 1 GW of this wind and majority of the other 0.4 GW conventional thermal generation. Table 2 below sets out the approximate proportion of connected firm versus non-firm

generation in Ireland.

Dispetable	Total capacity ² (MW)	Non- firm (MW)	Non- firm (%)	Firm (%)
Dispatchable generation	7,313	400	5%	95%
All renewables	5,475	1,000	18%	82%
Total	12,788	1,400	11%	89%

 Table 2: Summary of firm versus non-firm generation in Ireland

Also, there is circa 400 MW of wind generation which has still not connected but has full Firm Access. There is another circa 500 MW of contracted generation which is linked to ATRs but is still not connected. The RAs have requested EirGrid carry out analysis on market impacts regarding the current non-firm projects and to also examine the impact further what effect the future renewables target may have under the new firm access proposal. The RAs will consider this analysis during the decision making process.

2.3 CRU's direction in ECP2 decision (CRU/20/060)

In its June 2020 decision paper (CRU/20/060) Enduring Connection Policy Stage 2 (ECP-2) the CRU directed the TSO to develop a new methodology to schedule Firm Access Quantities (FAQs) for contracted projects based on network development plans. This paper stated that offers would continue to be issued on a non-firm basis until this new mechanism for scheduling FAQs is in place.

The CRU's decision paper on ECP2 (CRU/20/060) described the following:

- The high-level principle of providing generation and applicable storage connections with a schedule for Firm Access quantities for transmission capacity will remain in ECP.
- The TSO will design and develop a new methodology to schedule the FAQs possible for contracted projects based on the Transmission network development plans.
- This methodology will incorporate transmission capacity assumptions based on

² From <u>Generation Capacity Statement 2021</u>.

the high-level principles of ensuring network safety, security of supply and economic transmission development, whilst delivering the Government's 70% renewable target in the forthcoming years.

- As per pre-ECP projects that had scheduled FAQs, transmission reinforcements specific to each generator that determine the scheduling, must be completed in order for Firm Access to be allocated to the relevant generator.
- It should be noted that location will be a significant contributory factor to the timelines for Firm Access availability.

3. EirGrid's Firm Access methodology proposal

3.1 EirGrid's proposal

In December 2021 EirGrid published the Firm Access Methodology Review paper. This was following the CRUs direction in decision paper CRU/20/060 on ECP 2, this paper set out EirGrid's proposed core concepts and approach taken in the development of a new Firm Access methodology. EirGrid published this methodology following a number of industry workshops.

Following engagement with industry and the CRU, EirGrid submitted an updated Firm Access Methodology Review paper in June 2022 reflecting this feedback. This paper is published alongside this consultation paper. In section 3.3 of this paper this proposed methodology is summarised and the RAs assessment of different key elements is outlined.

3.2 Design of proposed methodology

This section sets out an overview of the proposed methodology by EirGrid.

Overview of EirGrid's proposed approach

EirGrid describe how the key objectives for the Firm Access methodology as to ensure renewables targets can be met while maintaining security of supply. In addition, EirGrid describe five secondary requirements:

- Minimise additional costs to end customer by ensuring appropriate risk sharing and a balance of costs covered through RESS bids (PSO) and actual constraints costs (Imperfections)
- Provide clear locational signals in line with the Transmission Development Plan (TDP).
- Ensure the process is robust, transparent and repeatable.
- Support investor confidence.
- Decouple enduring links between specific ATR projects and specific customer Firm Access.

Core concepts

EirGrid describe the following high-level concepts in their methodology:

- The new methodology to provide <u>time bound Firm Access dates</u>, initially derived based on the timeline for delivery of planned reinforcements, but not directly linked to the final completion of these specific reinforcements.
- Firm Access to be allocated via <u>annual reviews</u>. The review will cover any connected and committed non-firm generators.
- Annual reviews will also provide <u>location signals</u> for future Firm Access capacity based on the TDP.
- Firm Access test for renewable energy sources will consider a minimum level of acceptable constraint (Firm Threshold). This threshold will be reviewed on an annual basis. Where the analysis demonstrates that constraints are expected to be below this Firm Threshold, that generator will be granted Firm Access.
- An MEC "floor" of 1 MW will be applied. Firm Access is not considered relevant below this level.

EirGrid described the high-level methodology using the below diagram in their proposal.

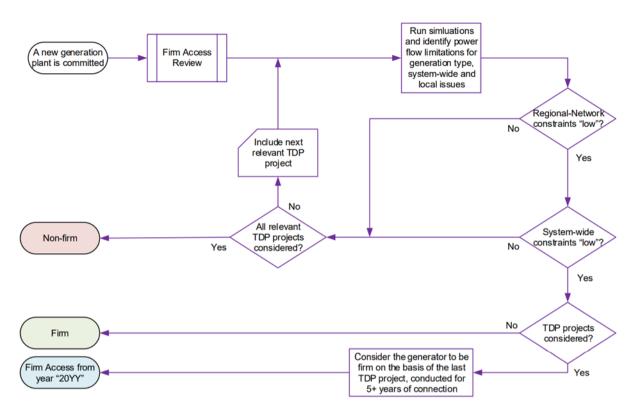


Figure 3: Methodology for Firm Access Annual Review

3.3 More detailed summary of methodology

The following section sets out in more detail the different main elements of the proposed methodology.

The key features of the Methodology describe:

- 1. **Product** what does a Firm Access or Scheduled FAQ offer include?
- 2. Eligibility who will be able to apply for Firm Access in this methodology?
- 3. **Allocation** how is available Firm Access capacity allocated to different applicants?
- 4. Signals to the market how is information shared to market participants?
- 5. **Signals to the TSO** how is the information used to inform other TSO roles?

Product

Time bound Firm Access dates *EirGrid Proposal* EirGrid has proposed an approach where generators are guaranteed to receive Firm Access on the date associated with a Scheduled FAQ offer. This is in contrast to the legacy Gate 3 ITC approach where the date of completion of all Associated Transmission Reinforcements (ATRs) determined the FAQ date for a generator.

RA Assessment

The RAs acknowledge that this approach provides more certainty for developers of generators. The RAs note that this is not in line with the CRU's direction in ECP 2 decision paper CRU/20/060 that transmission reinforcements specific to each generator that determine the scheduling, must be completed before Firm Access is allocated to the relevant generator. This proposed approach contrasts with the Gate 3 methodology, where the dates given for Scheduled FAQs could move forwards or backward depending on delays or advancements in reinforcement works. The example in figure 4 below shows this distinction, in the proposed approach the FAQ date does not shift out even though the ATRs were delayed.



Firm Access Quantity date

Figure 4: Examples of scheduling approaches on FAQ dates³

The RAs note that this approach provides more certainty for investors in generators, however this approach may also increase the constraints costs for end consumers as a result of potential delays in reinforcements and forecasting error. The RAs have engaged with EirGrid regarding the historic performance of ATRs delivery. Removing the direct link between delivery of ATRs and the FAQ date potentially weakens the

³ Example for illustrative purposes only.

delivery incentives on the TSO to provide status updates to affected stakeholders and deliver these works on time.

Questions for consultation

Q.1 Comments are invited from interested parties on EirGrid's proposed approach of having a time bound Firm Access date. Comment are also invites on alternative options (i.e ATRs etc). Should scheduled FAQ date be linked with ATRs, with more targeted delivery incentives? Please provide reasons and rationale for any views provided.

Q.2 Comments are invited from respondents regarding EirGrid's historical performance on delivering ATRs. How can EirGrid's performance be improved? Please provide reasons and rationale for any views provided.

Partial Firm Access quantities EirGrid Proposal

EirGrid initially proposed in their methodology published in December 2021 that Firm Access Quantity (FAQ) would be provided in full or not at all. In this approach there would be no partial or incremental FAQ. EirGrid described how the previous ITC Firm Access approach had a granularity tolerance down to 0.5 MW. EirGrid described how it was common for a small percentage of the generator to receive Firm Access in one year and subsequent portions of partial Firm Access delivered in subsequent years. EirGrid described how the proposed methodology focuses on identifying the critical bottlenecks in the regional networks which are limiting access. Once these are addressed, and to the extent that constraint falls below the Firm Threshold, then full Firm Access would be awarded. Following engagement with industry and completing some test analysis, EirGrid has adjusted this element in its updated proposed methodology. In certain situations, EirGrid will now consider allocating steps of partial Firm Access in discrete blocks e.g. 20MW blocks. EirGrid described how where a generator cannot be firm for the total MEC, partial Firm Access in blocks of 20 MW will

be considered and allocated where possible.

RA Assessment

The RAs recognise that the original approach of providing FAQs in full or not at all reduces the complexity of any allocation programme. However, as a result, the treatment of generators on the boundary of a Firm Threshold could be significantly different, with generators potentially receiving Firm Access rights over others despite relatively small differences in location, MEC, or connection date. The RAs welcome the proposed updated approach of in certain situations allocating partial Firm Access in discrete blocks. Although this approach may add more complexity to the allocation programme versus the original proposal, using discrete blocks (e.g. 20MW) at sizes above the previous ITC Firm Access granularity of 0.5 MW could still greatly reduce complexity. The RAs note that EirGrid's proposed approach is that partial Firm Access in blocks of 20 MW will only be considered where a generator cannot be firm for the total MEC.

Questions for consultation

Q.3 Comments are invited on whether stakeholders agree with the proposed approach of allocating partial Firm Access Quantities. Please provide reasons and rationale for any views provided.

Eligibility

Stage of development *EirGrid Proposal*

EirGrid initially proposed in their methodology published in December 2021 that only connected generators would be considered for Firm Access. EirGrid noted in their original proposed methodology that in the Gate process, some connected generators remained non-firm due to Firm Access rights being assigned to projects which never connected. EirGrid argued that by limiting eligibility to connected sites this risk would be mitigated but this approach would increase uncertainty for generators and investors before connection. Following engagement with industry and the RAs, EirGrid has

adjusted this element in its updated proposed methodology moving forward the timeline for when Firm Access is allocated. The new proposed approach proposes to allocate Firm Access to projects once they reach committed project phase (progress beyond Consents Issue Date).

RA Assessment

The RAs note that the initial approach of only connected generators being considered for Firm Access was not in line with CRUs direction in ECP 2 decision paper CRU/20/060. This outlined that the TSO will design and develop a new methodology to schedule the FAQs possible for contracted projects, not connected projects. The RAs welcome the updated approach of allocating Firm Access earlier in the process than when generators are connected. The RAs recognise that the stage of development at which a project becomes eligible for Firm Access represents a trade-off between investor confidence pre-connection and efficient allocation. The updated approach from EirGrid has the effect of reducing uncertainty for generators and investors before connection. The RAs note that concerns around projects being assigned and holding Firm Access rights which never connect could potentially be alleviated by introducing a long stop date.

Questions for consultation

Q.4 Comments are invited from respondents on the proposed approach of allocating Firm Access to generators once they reach committed project phase (progress beyond Consents Issue Date). Please provide reasons and rationale for any views provided.

Q.5 Comments are invited from respondents on the inclusion of a longstop date with awarded FAQs. Please provide reasons and rationale for any views provided.

Batteries and other service providers *EirGrid Proposal*

In its proposal EirGrid stated that for the purposes of the Firm Access methodology, Firm Access for service providers is outside of scope for this methodology and therefore not applicable at this time. EirGrid stated this approach may be reviewed in the future as part of other work streams directly related to the development of these services.

RA Assessment

From the engagement with industry and the RAs, EirGrid described how the concept of financial compensation for a generator due to constraints based on their Firm Access status does not apply to a service provider. EirGrid described how a pure service provider, such as a battery providing DS3 system services, is expected to be available to the system where the service is required. For example, in a scenario where a generator trips and a battery responds by providing primary operating reserve. EirGrid described how these service providers are not expected to be in the regular market dispatch schedule and therefore it is not clear if or how Firm Access should be applied to these services. EirGrid noted that as service providers begin to evolve, for example with the development of longer duration batteries which are expected to partake in energy markets, then this approach may need to be reconsidered. The RAs note the level of uncertainty in this area but also the trend of increased storage in recent years. The RAs recognise the increasing importance of battery storage, and the need to facilitate the increased inclusion of this technology.

Questions for consultation

Q.6 Comments are invited from respondents on the proposed approach of treating batteries and other service providers as outside the scope of the Firm Access methodology. Please provide reasons and rationale for any views provided.

Maximum Export Capacity (MEC) floor of 1MW *EirGrid Proposal*

EirGrid described in the proposed methodology that a MEC "floor" of 1 MW will be applied, with Firm Access not considered relevant below this level.

RA Assessment

The RAs note the rationale that this MEC floor of 1 MW currently aligns with the

controllable limit. The RAs note that the controllable limit could change in the future, but that any change would be subject to further consultation and review.

Questions for consultation

Q.7 Comments are invited from respondents on the proposed approach of having a MEC "floor" of 1 MW. Please provide reasons and rationale for any views provided.

Allocation

Allocation frequency EirGrid Proposal

In its proposal, EirGrid proposes that Firm Access will be allocated in the form of an Annual Review process, with assessments made in each Annual Review.

RA Assessment

The RAs welcome the introduction of an Annual Review process. EirGrid's approach is intended to mitigate the risk that generators are disadvantaged if they make an initial application during a period of high speculative demand for Firm Access which is no longer present in subsequent years. It is also intended to allow for assumptions to be updated. The result of this approach is that generators that are non-firm in one year may end up receiving Firm Access in a subsequent year. Additionally, generators connecting in later years have a transparent route to Firm Access. The RAs also note that generators need certainty and stability for investment, however the RAs consider EirGrid's proposal requires more detail in this area. The RAs request that EirGrid provide more details on how allocation frequency will work in practice

Questions for consultation

Q.8 Comments are invited from respondents on the Annual Review process. Please provide reasons and rationale for any views provided.

Firm Threshold EirGrid Proposal

EirGrid described in the proposed methodology the introduction of a Firm Threshold. This Firm access test for renewable energy sources will consider a minimum level of acceptable constraint. EirGrid described how the introduction of a Firm Threshold moves the process away from a binary computation exercise and towards a targeted assessment which considers the main bottlenecks on the system which are directly contributing to constraints.

RA Assessment

The RAs note the introduction of a Firm Threshold in EirGrid's proposed methodology. The Firm Threshold is a new concept for the Irish transmission system. The Firm Threshold is the threshold at which the maximum level of acceptable constraints for a network area is met in a year of analysis. FAQs will be scheduled where granting FAQ to a connected generator would not bring the expected level of constraints above the Firm Threshold. The Gate 3 system determined Firm Access based on the point at which physical grid thresholds would be breached. The RAs note that precise method for calculating the Firm Threshold for a given year, or how different Firm Thresholds for different locations might work in practice, will require more detail. The RAs request that EirGrid provide more detail on how Firm Threshold will operate as part of Firm Access assessment.

Questions for consultation

Q.9 Comments are invited from respondents on the Firm Threshold. Please provide reasons and rationale for any views provided.

Order of allocation EirGrid Proposal

EirGrid initially proposed an order of allocation in their methodology published in December 2021 based on a 'First to connect – first to be Firm allocation' order. EirGrid described how this approach provides an incentive to developers to complete and connect their project as quickly as possible. As described earlier, following engagement with industry and the RAs, EirGrid adjusted this element of allocating Firm Access to projects once they are committed. Projects which progress beyond Consents Issue Date are said to have reached committed project phase, these committed projects are made firm until constraints increase beyond the Firm Threshold. This allocation order is now more clearly described as First to be committed – first to be Firm.

RA Assessment

The RAs are of the view that EirGrid's proposed approach of First to be committed – first to be Firm is a transparent and practical approach. In proposed approach EirGrid will carry out an annual review of connected and committed non-firm generators. Those in areas with firm capacity will be granted Firm Access, while those in areas where the EirGrid Transmission Development Plan (TDP) will create future capacity will be allocated a set date for Firm Access. The transparency of this approach in turn promotes fairness. However, this may not be the most economically efficient way of allocating available capacity, ignoring other factors such as size and location.

Projects reaching payment stages of ECP (progress beyond Consents Issue Date) after a Firm Threshold is met, and in areas where future reinforcements will increase the capacity beyond the Firm Threshold, will be provided with a fixed Firm Access date. The RAs note that this may still be considered too late in the development process to provide sufficient certainty for some projects. Eirgrid are requested to provide more details on this process.

Q.10 Comments are invited from interested parties on the approach of First to be committed – first to be Firm. Please provide reasons and rationale for any views provided.

Transmission Development Plan basis *EirGrid Proposal*

EirGrid's proposes forward-looking assessment to determine Firm Access dates for Scheduled FAQs is based on the latest EirGrid Transmission Development Plan. Reinforcements in the plans and their expected completion dates are considered as part of the process to see if, and when, the capacity in an area will increase above the Firm Threshold.

RA Assessment

The RAs note the approach of the Transmission Development Plan (TDP) flowing into the Firm Access methodology. This annual report will signal the level of constraints and acceptable capacities that can be granted Firm Access in Regional Networks. EirGrid describes this as the "Look Forward Approach" where potential constraints trajectories will be based upon when generators become committed and when future firm capacity becomes available as signalled via the TDP. In this approach the information in these reports can strengthen the locational signals from the Methodology to potential connections. Generators are incentivised to connect in a region with more capacity and avoid constrained areas. The information may also increase investor confidence more generally as uncertainty about the future likelihood of Firm Access is reduced.

Questions for consultation

Q.11 Comments are invited from respondents on the use of the Transmission Development Plan as part of the Firm Access methodology. Please provide reasons and rationale for any views provided.

Other market signals

Look back and look forward approach *EirGrid Proposal*

EirGrid proposes that at a high level the new methodology would be composed of two steps, a look back and look forward step. In the look back step an annual review is carried out, generators in areas with capacity will be granted Firm Access. Generators in areas where the TDP will create future capacity will be allocated a set date for Firm Access. The look forward step provides a locational signal for future new capacity. The locational signal will consider the TDP against the new Firm Access methodology to signal areas of the power system with Firm Access. This approach also signals to projects in heavily constrained areas, which are currently not considered feasible for reinforcement, that connections in these areas will likely be non-firm for an extended period of time.

RA Assessment

The RAs note the approach set out in EirGrid's proposal of carrying out a look-back step, and then carrying out look-forward step annually. The same methodology is proposed to be used in both of these steps.

Questions for consultation

Q.12 Comments are invited from respondents on the proposed look-back and lookforward approach, and the interaction between these steps. Please provide reasons and rationale for any views provided.

3.4 Delivery incentives

The RAs note that there can be a gap between the estimated delivery date and actual completion date of system reinforcement works as evidenced in the TDP. The costs incurred due to any such delays are reflected through imperfections charges, with these costs ultimately lying with the consumer. It is important that effective delivery incentives are placed on the TSO to maintain downward pressure on these costs.

The objectives of the Firm Access Methodology appear aligned with EirGrid's PR5 renewable generation and planning performance incentives (summarised in table 3 below). The Imperfections and Constraints Performance Incentive incentivise EirGrid to develop a methodology that supports investor confidence without resulting in excessive risks of increased constraints costs. However, none of the PR5 Performance Incentives on EirGrid directly place targets on Firm Access but some have indirect interactions.

PR5 Incentive			Interaction
Renewable Generation	RES-E	Target 70% renewable electricity by 2030 through 3% annual incremental increases.	PR5 Renewable generation performance incentives align fully with the Firm Access
	SNSP	Target 95% System Non- Synchronous Penetration (SNSP)	Methodology objective for supporting RES-E.

		by 2025 through 5% annual incremental increases.		
Planning	Investment Planning and Delivery	Improve transparency and efficiency in investment planning processes.	PR5 Planning incentives do not include direct targets on Firm Access but indirectly promote transparent and efficient reinforcement planning and delivery.	
	Strategic Objectives	Delivery against strategic objectives relating to its role in supporting and managing the low carbon transition.		
Constraints, Imperfection, & Dispatch Down	Renewable Dispatch Down	Renewable dispatch down percentage target below 5% and not above 8%.	PR5 constraints management incentives do not include direct targets on Firm Access but incentivises EirGrid to minimise the cost of constraints while delivering their strategy.	
	Local Security of Supply	Demonstrate progress in addressing and managing key security of supply and constraint areas.		
	Imperfections & Constraints	Reduce imperfection costs while aligning with EirGrid's strategic objectives.		
Connections	Connections	Deliver connection offers to the schedules set out in ECP-2	PR5's connection incentives relate to connection only and not Firm Access.	

Table 3: PR5 incentives interaction with Firm Access

Questions for Consultation

Q.13 Comments are invited from interested parties on the interaction of delivery incentives with the proposed Firm Access methodology. Please provide rationale for to support these views

Q.14 Views are invited from interested parties on how the TSO should be incentivised to alleviate constraints. Please provide supporting rationale for these views.

3.5 Independent assurance

The Gate 3 Incremental Transfer Capacity (ITC) process was subject to an independent technical audit. As part of this the CRU published a Terms of Reference (ToR) in 2009 in decision CER/09/191. The RAs are of the view that a similar independent audit may be appropriate in any updated Firm Access methodology.

The RAs note that as the proposed Firm Access design is envisioned to operate on a periodic frequency it may be possible to have an independent monitor to provide additional assurance over this process. In order to facilitate this Terms of Reference (ToR) would be required to be developed for these roles.

Questions for Consultation

Q.15 Comments are invited from respondents on the need for independent assurance around the Firm Access process. Please provide rationale to support these views.

3.6 Summary

The RAs are of the view that the Firm Access approach should strike an appropriate balance of risk between electricity customers and project developer/operators, providing effective locational signals while incentivising EirGrid to progress reinforcements as required. A summary of the different design elements is outlined in table 4 below.

Questions for Consultation

Q.16 General comments are invited from interested parties on whether they agree with EirGrid's proposed Firm Access methodology. Should a party disagree with EirGrid's approach, please provide reasons and rationale for this.

Q.17 Suggestions and/or alternative approaches are invited from interested parties on EirGrid's proposal. Please provide rationale to support this.

Q.18 Comments are invited from interested parties on the benefit of providing firm access to connected legacy generation in Ireland which currently have non-firm

access. Should legacy non firm generators be considered in any new firm access methodology? Please provide rationale to support this.

Q.19 Comments are invited from respondents on the need to consider this proposed methodology in relation to the equivalent approach taken in Northern Ireland. Do respondents have any views on the interactions and differences between these different approaches.

Element	Description	Previous Gate 3 ITC approach	RA assessment
Time bound Firm Access date	Generators are guaranteed to receive Firm Access on the date associated with a Scheduled FAQ offer.	Generators receive FAQ only once Associated Transmission Reinforcements (ATRs) are completed.	Proposed approach provides more certainty for investors in generators but may increase the constraints costs risks for end consumers.
Partial Firm Access quantities	EirGrid proposed an updated approach whereby a generator cannot be firm for the total MEC, partial Firm Access in blocks of 20 MW will be considered.	Gate 3 ITC process offered FAQ in granularity of 0.5MW.	Partial FAQ approach may add more complexity to the allocation programme versus the original proposal. However larger discrete blocks (e.g. 20MW blocks) than previous ITC granularity of 0.5MW. RAs note that this is also positive for locational signals and therefore competition.
Stage of development	EirGrid proposed an updated approach to allocate Firm Access to committed projects (beyond Consents Issue Date).	Contracted projects were considered in ITC process.	The stage of development at which a project becomes eligible for Firm Access represents a trade-off between investor confidence pre-connection and efficient allocation. Proposed approach by EirGrid has the effect of reducing uncertainty for generators and investors before connection.

Batteries and other service providers	EirGrid proposed that for the purposes of the Firm Access methodology, Firm Access for service providers is outside scope.	Different approach taken.	RAs note the level of uncertainty in this area but also the trend of increased storage in recent years. RAs recognise the increasing importance of battery storage and need to facilitate the increased inclusion of this technology.
Maximum Export Capacity (MEC) floor of 1MW	EirGrid describes a MEC "floor" of 1 MW will be applied, with Firm Access not considered relevant below this level.	No change, MEC floor of 1 MW applied to ITC.	MEC floor of 1 MW currently aligns with the controllable limit.
Allocation frequency	EirGrid proposes that Firm Access will be allocated in the form of an Annual Review process.	ITC programme was run in batch format, not a regular recurring process.	The result of this approach is that generators that are non-firm in one year may end up receiving Firm Access in a subsequent year. Generators connecting in later years have a transparent route to Firm Access.
Firm Threshold	The Firm Threshold is the threshold at which the maximum level of acceptable constraints for a network area is met in a year of analysis.	Gate 3 ITC programme operated on a n-1 transmission planning standard.	Precise method for calculating the Firm Threshold for a given year or how different Firm Thresholds for different locations might work in practice, will require more detail from EirGrid.
Transmission Development Plan basis	EirGrid's proposed forward-looking assessment used to determine Firm Access dates for Scheduled FAQs is based on the latest Transmission Development Plan.	Gate 3 ITC did not include a forward- looking assessment.	The information in these reports can strengthen the locational signals from the Methodology to potential connections. The information may also increase investor confidence more generally as uncertainty about the future likelihood of Firm Access is reduced.
Order of allocation	EirGrid proposed an updated approach 'First to commit – first to be Firm allocation order'.	Gate 3 ITC programme used date order allocation of applicants for scheduled firm capacity.	Transparent and practical approach. The transparency of this approach in turn promotes fairness.
Look back and look forward approach	EirGrid proposed that at a high level the new methodology would be composed of two steps, a look back and look forward step.	ITC programme run more comparable with look back approach.	In the look back step an annual review is carried out, generators in areas with capacity will be granted Firm Access. The look forward step provides a locational signal for future new capacity.

Table 4: Summary of Firm Access design

4. Summary of consultation questions

4.1 Introduction

In the previous section the RAs set out its initial view of EirGrid's proposed methodology. On a number of different elements, the RAs ask respondents for their views. These consultation questions are set out below.

4.2 Consultation questions

The CRU requests feedback from respondents on the below questions.

- Comments are invited from interested parties on EirGrids proposed approach of having a time bound Firm Access date. Comment are also invites on alternative options (i.e ATRs etc). Should scheduled FAQ date be linked with ATRs, with more targeted delivery incentives? Please provide reasons and rationale for any views provided.
- Comments are invited from respondents regarding EirGrid's historical performance on delivering ATRs. How can EirGrid's performance be improved? Please provide reasons and rationale for any views provided.
- Comments are invited on whether stakeholders agree with the proposed approach of allocating partial Firm Access Quantities. Please provide reasons and rationale for any views provided.
- 4. Comments are invited from respondents on the proposed approach of allocating Firm Access to generators once they reach committed project phase (progress beyond Consents Issue Date). Please provide reasons and rationale for any views provided.
- Comments are invited from respondents on the inclusion of a longstop date with awarded FAQs. Please provide reasons and rationale for any views provided.
- 6. Comments are invited from respondents on the proposed approach of treating batteries and other service providers as outside the scope of the Firm Access methodology. Please provide reasons and rationale for any views provided.

- Comments are invited from respondents on the proposed approach of having a MEC "floor" of 1 MW. Please provide reasons and rationale for any views provided.
- Comments are invited from respondents on the Annual Review process.
 Please provide reasons and rationale for any views provided.
- 9. Comments are invited from respondents on the Firm Threshold. Please provide reasons and rationale for any views provided.
- Comments are invited from interested parties on the approach of First to commit – first to be Firm. Please provide reasons and rationale for any views provided.
- 11. Comments are invited from respondents on the use of the Transmission Development Plan as part of the Firm Access methodology. Please provide reasons and rationale for any views provided.
- 12. Comments are invited from respondents on the proposed look-back and lookforward approach, and the interaction between these steps. Please provide reasons and rationale for any views provided.
- 13. Comments are invited from interested parties on the interaction of delivery incentives with the proposed Firm Access methodology. Please provide rationale to support these views.
- 14. Comments are invited from respondents on the need for independent assurance around the Firm Access process. Please provide rationale to support these views.
- 15. Views are invited from interested parties on how the TSO should be incentivised to alleviate constraints. Please provide supporting rationale for these views.
- 16. General comments are invited from interested parties on whether they agree with EirGrid's proposed Firm Access methodology. Should a party disagree with EirGrid's approach, please provide reasons and rationale for this.

- 17. Suggestions and/or alternative approaches are invited from interested parties on EirGrid's proposal. Please provide rationale to support this.
- 18. Comments are invited from interested parties on the benefit of providing firm access to connected legacy generation in Ireland which currently have nonfirm access. Should legacy non firm generators be considered in any new firm access methodology. Please provide rationale to support this.
- 19. Comments are invited from respondents on the proposed methodology in relation to the equivalent approach taken in Northern Ireland. Do respondents have any views on the interactions and differences between these different approaches.

4.3 Consultation details

Comments are invited from interested parties on this proposal until Tuesday, 08 November 2022. Responses to this consultation should be sent, preferably by email, to electricityconnectionpolicy@cru.ie and Brian.Mulhern@uregni.gov.uk. Unless marked confidential, all responses may be fully published on the SEMC website. Respondents may request that their response is kept confidential.

Responses received to this paper will be considered and a final decision will issue later this year.

5. Next Steps

This paper sets out, for consultation, the RA's assessment of EirGrid's Firm Access methodology.

Comments are invited from interested parties on this proposal until Tuesday, 08 November 2022. Responses to this consultation should be sent, preferably by email, to electricityconnectionpolicy@cru.ie and Brian.Mulhern@uregni.gov.uk.

Responses received to this paper will be considered and a final decision will issue later this year.