

Emailed to: Gavin Miller (mmg@cru.ie) and Mary Farrelly (mary.farrelly@uregni.gov.uk)

RE: Imperfections Charges Forecast Tariff Year 2023/24

Wind Energy Ireland (WEI) welcomes the opportunity to engage with the SEM Committee and provide feedback on the Imperfections Charges Forecast Tariff Year 2023/24 consultation.

WEI is the nation's largest renewable energy organisation with more than 170 members who have come together to plan, build, operate, and support the development of the country's chief renewable energy resource. We work to promote wind energy as an essential, economical, and environmentally friendly part of the country's low-carbon energy future.

We have the following comments in relation to the consultation:

- Imperfections charges, and more specifically dispatch balancing costs, represent a significant cost to consumers (and increased carbon emissions) that should be mitigated through actions on the System Operators to reduce system constraints through network development and alternative solutions such as energy storage. Constraints of renewable generation have been increasing in recent years as more renewables have connected and the rate of grid development is not keeping pace with this. EirGrid and SONI's reinforcement plans in Shaping our Electricity Future must be supported and expedited to alleviate congestion in key areas of the grid and reduce our reliance on fossil fuels. However, it should be recognised that these reinforcements will not completely address the issue of constraints in many areas of the grid, and some projects may encounter delays, so supporting solutions such as long-duration energy storage should be facilitated through investment supports as these can provide substantial benefits in terms of reduced dispatch down, avoided carbon emissions and consumer cost savings.¹
- Imperfections costs can also be mitigated through increasing the provision of system services from low carbon sources and removing operational constraints on the system such

¹ <https://www.energystorageireland.com/wp-content/uploads/2022/05/GameChanger-ESI-Report-May2022-Web-1.pdf>

as must run conventional units and minimum generation levels. There is already significant provision of fast acting reserve services from battery storage and wind farms. Coupled with the upcoming low carbon inertia procurement this year, and further procurement phases in 2024, the System Operators should be able to reduce the minimum generation constraint as soon as possible. The ambition should be to have a system capable of running with 100% zero-carbon system services by 2030 and no must run conventional unit constraints. Baringa's Endgame report estimates that zero-carbon solutions to DS3 operational limits can avoid significant carbon emissions and reduce the dispatch balancing costs incurred to re-dispatch plant to meet these limits by approximately €262m in ROI alone per year by 2030.²

- We welcome the fact that the SEM Committee is requiring the System Operators to submit an annual report to their relevant RA on a range of topics related to redispatch volumes, reasons for redispatch, and measures being taken to reduce the need for such actions. We look forward to seeing these reports and believe these should include an action plan and roadmap to achieve key objectives such as removing all minimum generation & must-run unit operational limits and a long-term plan to reduce and manage network constraints. As per Ireland's Climate Action Plan 2023 these reports should also include analysis on the carbon emissions impacts of redispatch actions taken by the System Operators.

In conclusion we would like to thank the SEM Committee for offering us the opportunity to provide feedback on the Imperfections Charges Forecast Tariff Year 2023/24 consultation and we are available to discuss any of these points if you wish.

Yours sincerely,



Bobby Smith
Grid Manager
Wind Energy Ireland

² <https://windenergyireland.com/images/files/20210629-baringa-endgame-final-version.pdf>