



**Energia Response to Commission for  
Regulation of Utilities**

***Review of Large Energy Users Connection Policy  
Consultation***

**19 March 2024**

## **1 Response**

Energia welcomes the opportunity to respond to the CRU's consultation on the Review of Large Energy Users (LEUs) Connection Policy. Energia Group is a leading integrated and innovative energy company that is committed to playing a key role in the decarbonisation of the energy system across the island of Ireland.

Energia Group operates through three businesses: Renewables; Flexible Generation; and Customer Solutions. The Renewables business owns and operates 309MW of wind assets on the island of Ireland. The business has extensive experience in the design, construction, and operation of renewable energy projects, primarily onshore wind, but more recently green hydrogen production and battery storage projects have been completed by the Group.

The Flexible Generation business owns and operates 747MW of conventional generation assets in Dublin, these units are critical to security of supply in the all-island Single Electricity Market (SEM). To address security of supply concerns in the SEM, the Group has also recently delivered 50 MW of temporary emergency generation at the Huntstown campus.

The Customer Solutions business supplies electricity to over 530,000 customer sites and supports over 14,000 microgeneration customers in NI, through the retail brand Power NI. In the Republic of Ireland (ROI) our Customer Solutions business operates under the Energia brand and supplies energy to almost 300,000 sites. Customer Solutions North and South has provided customers with innovative new products to assist them with the energy transition, such as green electricity and electric vehicle (EV) products.

Energia welcomes and supports the overall ambition of the National Energy Demand Strategy (NEDS) and the twin goals of decarbonisation and digitalisation as outlined in Government policy. There is a need to provide a pathway forward to facilitate LEU connections to the grid. To work a new connection policy needs to have a degree of simplicity, reality and logic about it. Due to the current level of open questions, it appears that what is currently being proposed could be overly complicated and at this point in time difficult to deliver. Without the technology or adequate solutions being in place to meet the requirements proposed in this consultation in the short term, it poses a long-term risk to demand growth if the wrong signals are sent to the market.

Ireland's Climate Action Plan (CAP) has ambitious targets to achieve up to 80% renewables by 2030, a large volume of demand and flexible demand will be required to support the massive renewables targets, particularly to support the envisaged levels of offshore wind. Curtailment is a significant issue for renewables on the island as it stands, demand growth and flexibility services can play a part in alleviating this. While interconnectors can play some role too through the export of this electricity, we cannot rely solely on this, therefore demand growth is a necessity to support the consumption of this generation to minimise the curtailment.

Demand growth is also a necessity to ensure continued FDI into Ireland as well as growth in GDP. At a macro level, restricting demand growth risks putting Ireland in a negative position. Investors need certainty and any new policy should provide a high degree of certainty to provide clarity to enable investment decisions to be made. While a transition period is a logical approach, given what is proposed is not possible currently technically possible, it will still be challenging for LEUs as there will be many

uncertainties and risks such as stranded assets. There is still a lot of work and collaboration to be undertaken across stakeholders identified in this strategy to understand what is actually achievable e.g. private wires, gas connections and exactly what LEUs can deliver in terms of flexibility. Energia would caution on taking actions hastily which may limit demand growth as it is a necessity to support our longer-term renewable targets.

Energia believes market incentives are the correct way to encourage flexibility, such incentives can send clear signals of what is needed, if signals are clear and strong the market can react to support this. Energia are supportive of market-based flexibility initiatives for existing connections but would urge the CRU to provide additional market signals to support new LEUs too rather than imposing obligations which cannot be delivered on presently. Other initiatives that will be required to optimally facilitate significant flexibility are enhanced forecast and visibility of signals from the TSO, DSO and energy market to market participants to be able to plan and signal for flexibility event actions to engage customers.

Energia would urge CRU to take feedback into consideration of what can realistically be achieved in their decision to move forward and avoid limiting growth and any unintended consequences. Energia actively work with customers on the adoption and implementation of energy efficiency solutions to support their operations. From our experience customers want to take the right actions with and actively seek new ways to innovate and adopt technology that will limit carbon emissions. However, customers are aware of what is possible and what is not technically feasible, this feedback should be considered.