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SSE Generation Ireland Limited Red Oak South County Business Park, Red Oak South, Leopardstown, Dublin 18.

21st December 2022

Re: Application under the Development (Emergency Electricity Generation) Act 2022

Dear Sir/Madam,

EirGrid notes application due to be made by SSE Generation Ireland Limited to the Minister for the Environment, Climate and Communications under the provisions of the *Development (Emergency Electricity Generation) Act 2022* for Temporary Emergency Electricity Generation Plant at your site at Tarbert, Co. Kerry.

CRU and EirGrid has requested SSE and specifically its site at Tarbert, Co. Kerry to participate in the Temporary Emergency Generation measures. EirGrid is satisfied that this development is required by reason of an emergency, being a temporary electricity emergency identified by the Commission for Regulation of Utilities.

EirGrid's All-Island Generation Capacity Statement (GCS), published in September 2021, set out a generation capacity shortfall in the short and medium term. This potential capacity shortfall arises in periods of peak demand coinciding with low renewable and interconnector availability, and it arises largely due to non-delivery of previously contracted capacity, increasing electricity demand and the increasing unreliability of existing plants. This is a critical point. The State needs to react to an unprecedented situation it has been presented with. This is an electricity emergency and the state's emergency powers are being used to address it.

The Commission for Regulation of Utilities (CRU) has statutory responsibility to monitor and take measures necessary to ensure the security of electricity supply. The CRU has published an Information note in this regard, titled *Security of Electricity Supply – Programme of Actions*. The report summarised EirGrid's assessment of an electricity supply deficit over the next several winters. In addition, it outlined



key elements of the programme of actions being undertaken by the CRU, in line with its statutory duties, in cooperation with EirGrid, the Department of Environment, Climate and Communications (DECC), the energy industry and other stakeholders, to provide additional stability and resilience to the Irish energy system.

CRU is assisted in this role by EirGrid, Ireland's electricity transmission system operator (TSO). On 7 June 2022, the CRU directed EirGrid to procure, using the most expeditious means available, approximately 450 MW of additional generation capacity from winter 2023-24 to winter 2025-26 to ensure a secure electricity supply. This temporary generation capacity will be in place until more enduring capacity can be delivered through regular market auctions. This procurement process was provided for in other legislation passed through the Oireachtas in the summer of 2022, in the form of the *EirGrid, Electricity and Turf (Amendment) Act 2022*. EirGrid commenced the process on foot of this legislation passing. This 450 MW of additional generation capacity, comprising two emergency generation projects can be delivered by winter 2023-24.

These two temporary emergency generation projects, one of which relates to SSE and its lands at Tarbert, Co. Kerry, will facilitate security of supply and will ensure there is sufficient capacity on the system to enable security of supply in the peak periods when there is low wind and low interconnection available, it is important to note that this will not impede any of Ireland's plans for renewables, interconnection, batteries, demand-side response or energy efficiency. This temporary emergency generation does not replace or displace Ireland's long-term ambitions for renewable energy, which will continue at pace.

This capacity will remain available until the necessary replacement capacity has been secured. The process is linked to the provisions of the *EirGrid, Electricity and Turf (Amendment) Act 2022*, which indicates that these projects must cease operation in 2027, with an option of a further year if required by order of the Minister. The temporary generation will be used only when needed and will be used as a backup in addition to generation capacity in the electricity market.

If the proposed emergency generation project does not proceed, it is possible that power outages could occur due to the forecasted system demand and shortfall forecasted system generation identified in the EirGrid Generation Capacity Statement. This would have a significant adverse effect in terms of energy requirements and supply at home, at work, for commercial developments and industry.

We trust that this is in order.

Yours sincerely

DocuSigned by:

370E39F11D8E4A4... Michael Mahon

Chief Infrastructure Officer