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Planning Ref: ABP – 312984-22

31 May 2023

An Bord Pleanála 64 Marlborough Street, Dublin 1, D01 V902

Re: CRU Letter of Support for the development of the proposed "Baldonnell Substation" in Profile Park, Baldonnel, Dublin 22.

To whom it may concern,

I refer to the development of new gas plant, and supporting transmission infrastructure, in Profile Park by Bord Gáis Energy. In accordance with Section 9 of the Electricity Regulation Act¹, the Commission for Regulation of Utilities (CRU) wishes to submit the following context related to security of electricity supply and the need for new gas generation in Ireland.

The CRU, on 29 September 2021, published an Information Paper: "Security of Electricity Supply – Programme of Actions"². This Paper highlights the risk to security of electricity supply in the short and medium term, as well as the need to "*procure and deliver at least 2000MW of additional flexible gas-fired generation capacity by 2030 at the latest*" in order to "*meet growing demand, replace retiring generators and support additional penetration of renewables*". This is in addition to the delivery of additional storage, demand-side units, system services and interconnection.

The Paper further states that:

"Gas-fired generation will remain a critical enabler of the decarbonisation of the electricity system in 2030 and beyond, particularly as we accelerate the decarbonisation of the natural gas network."

This Programme of Actions set out by the CRU, to address the security of supply challenges ahead, are aligned with national policy. The Policy Statement on Security of Electricity Supply³, published 30 November 2021, includes explicit Government approval that:

"the development of new conventional generation (including gas-fired and gasoil/distillate-fired generation) is a national priority and should be permitted and supported in order to ensure security of electricity supply and support the growth of renewable electricity generation".

¹ Section 9 of the Electricity Regulation Act 1999 sets out the functions of the CRU, including the duty to have regard to the need to promote the security of electricity supply.

² Security of Electricity Supply – Programme of Actions

³ Policy Statement on Security of Electricity Supply



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The Climate Action Plan 2023⁴ (CAP), which is the second annual update to Ireland's Climate Action Plan 2019 and follows the Climate Action Plan 2021, states that "to maximise the output of renewables, the electricity system must increase its flexibility further". The CAP also sets out "key measures to ensure security of electricity supply and reduce emissions", including the need for CRU and EirGrid to "ensure an adequate level of conventional dispatchable generation capacity and deliver at least 2 GW of new flexible gas-fired generation" by 2030.

Chapter 13 of the National Development Plan 2021-2030⁵ (NDP) deals with the Transition to a Climate-Neutral and Climate Resilient Society and highlights Energy as a Strategic Investment Priority. In this context, the NDP targets the delivery of "circa 2 GW of new conventional (mainly gas-fired) electricity generation capacity to support the operation of a predominantly wind/solar electricity system and provide security of supply for when variable electricity generation (wind/solar) is not sufficient to meet demand".

The role of gas generation in supporting intermittent renewables had been noted by the EPA in their "Guidance note on Best Available Techniques for the Energy Sector (Large Combustion Plant Sector) 2008"⁶, which states:

"It should be noted that for electricity network operability and stability reasons a varied mix of different types of electricity generation plant is required. For example Open Cycle Gas Turbines although less efficient than CCGT, are essential for short term peak lopping especially as a standby reserve for wind turbines."

Furthermore, the CRU, on 29 June 2022, published an update to the Programme of Actions⁷, followed by a second update in February 2023⁸. In these updates, the progress made in securing additional new gas generation in recent capacity market auctions (T-3 for the period 2024/25 and T-4 for the period 2025/26) was highlighted.

The continued development and construction of gas generation plants will be critical in ensuring security of electricity supply for the years to come.

Yours sincerely,

Gráinne Black Manager, Wholesale Markets

⁴ Climate Action Plan 2023

⁵ National Development Plan 2021-2030

⁶ BAT Guidance Note on Best Available Techniques for the Energy Sector (Large Combustion Plant Sector)

⁷ Electricity Security of Supply Programme of Work Update June 2022

⁸ Electricity Security of Supply Programme of Work Update February 2023