

ESBN NN, LCP – Meeting Minutes

Meeting	Advisory Council 6
Date/Time	11.12.2023, 10.00 – 13:00
Location	Hybrid – The Alex Hotel & Remote
Attendees	<p>ESBN: Alan Keegan – Designate Chair (AK), Gerry Noone (GN), Carol Murphy (CM) and Jennifer Ward (JW).</p> <p>Apologies: Ellen Diskin – Chair, Amanda-Jain Gainford, Conall Bolger, Enda Leavy</p> <p>External stakeholders in attendance: Gillian Baker (GB), Eoin Kennedy (EK), Frank Burke (FB), Brian O'Shea (BOS), Robert O'Rourke (ROR), Bobby Smith (BS), Paddy Finn (PF), Aidan Mahony (AM), Gary Purcell (GP), Kevin Brophy (KB)</p>
Agenda:	<ul style="list-style-type: none"> • Welcome & actions update • Year in Review • Update on Storage • Coffee break • Beat the Peak Business • Blueprint for Flexible Demand in Markets • AOB / Round table discussion
Compiled By	Jennifer Ward

Minutes

Welcome, Housekeeping and Actions update

- AK welcomed all attendees to the meeting and passed on apologies from Ellen Diskin who was unable to attend.
- AK updated attendees that requests have been submitted to ESB Networks from representatives of electricity suppliers requesting representation on the Advisory Council. This had been discussed at earlier Advisory Council meetings. AK informed attendees that ESB Networks intends to issue a circular, via the Retail Market Design Service to those suppliers represented at the Industry Governance Group, inviting suppliers to nominate a representative to the Advisory Council.
- BS enquired as to whether the supplier representative will be representing their own organisation or suppliers in general? AK confirmed the supplier representative will represent all suppliers.
- Action 1 on Pricing Approach is to remain open for now due to some remaining inputs pending from key people.
- Action 2 on Bespoke workshops as part of call for input is to be closed. Feedback from the last advisory council meeting has been very useful and was taken into account for the 5 roundtable sessions in August on scenarios for 15%-20% flexible demand; Market Design strategy; Domestic and Commercial Customer strategy; Behind the Meter Infrastructure strategy; Power System Requirements strategy.

Year In Review

Why are we here?

- GN outlined the flexible demand journey we are on towards 2030 and gave an overview of CAP 2023 and carbon abatement targets and where we were in terms of 15-20% scenarios published back in mid-2023. GN emphasised the pace and acceleration in the programme.

- GN talked to the need for Industry to be ready for flexibility and why it is important for ESB Networks to match that pace. He outlined the advantage of prioritising flexibility initiatives that all industry segments can participate in.
- GN talked about the CVR (conservative voltage reduction) proposition and how it can enable flexibility on the MV network when we need to engage with security of supply.

What's changing?

- GN talked about the future Energy System and how participants will have the knowledge, tools and incentives to take control of their energy usage.
- GN talked about moving from being a DSO to a Distribution Markets & System Operator and what that means.
- GN stated that we need to make sure how we integrate with Eirgrid and that we are doing that through the Joint System Operator Programme (JSOP).

What have we done?

- GN talked about strengthening Ireland's ability to meet climate action targets through the programme.
- GN indicated that a lot of work has been done on propositions and assessing what which propositions would give the best impact and value.
- AK talked about the capabilities that we would have to build and indicated that individual strategies have been developed and published online for Scenarios for 15%-20% flexible demand; Market Design, Domestic and Commercial Customer, Behind the Meter Infrastructure and Power System Requirements were good sources of information to refer to.
- AK referred to the suite of roundtables that took place as we developed this year's MYPs that are due to be published shortly.
- GN talked about LEUs and how some of them can't shift their load for various reasons. He mentioned that some LEUs are engaging which is positive.
- GN remarked that the amount of green gas that's going to be produced is much less than anticipated. Green gas sentiment from industry is to wait for policy from government so we've paused that work until DECC's policy is issued.
- CM talked about how the energy customer of the future is going to be very different as they could be generating/ trading/ consuming.
- CM outlined that we need industry to take the baton and embed flexibility into society.

What's next?

- AK talked to the significant amount of stakeholder feedback that has been received and responded to over the last year. AK talked about the types of industry participants that responded and the topics that received most engagement. Some of the topics and themes that were prevalent included the role of suppliers and other market participants, how is the transition going to unfold over the coming years, etc?
- GN indicated that a lot of work has been done on propositions and assessing what which propositions would give the best impact and value. GN gave overviews on XLEUs, heat and households in particular and the possibility of designing a trial/pilot/flexible demand connection that would cut across multiple segments and where some MIC firm/non-firm.
- Question: FB asked if there are opportunities for large flexible demand that you could store as heat rather than flexibility? GN talked to eHeat being categorised as "Behind the Meter"

and that the storage proposition is about flexible demand utilising storage. A discussion took place on replacing electric boilers with heat storage.

- With regard to opportunities for large flexible demand storing as heat not going back out to the network FB recommended the programme talk to Aughinish Alumina.
- Group discussion on the locational targeting of assets, the need for carbon credits associated with flexibility, and what could be delivered most quickly based on the maturity of technologies.
- BS observed that we probably need a similar locational analysis done for something like what was done for the storage proposition. Agree with Frank on eHeat point. Tech is already there but incentives are not there at the moment. Flexible connections are the way things are going. Storage doesn't need a static connection anymore. Flexible connections for storage proposition will be valuable. This could work as well for LEUs and if it was more dynamic that could work very well.
- GN talked to how the programme is neutral in technology type within satisfying parameters and dynamic nature of the market and the long-term view that's required.
- Question: AM asked if there are there any pilots on Vehicle to grid charging? CM responded that the programme is not currently looking at this, but we will discuss with colleagues in the ESB Networks Innovation team.
- BS: certain areas of northwest don't have the demand but one way to create demand is to introduce storage. Bulk energy storage tech is very useful. Just beware you want to get the energy back and be efficient. If it's long duration and inefficient then this is not good.

Storage

- GN: ESNB intends to publish a "Flexible Demand Product Proposal" consultation (since published on 22/12/2023) with a CRU cover note. GN emphasised the importance of good engagement from stakeholders in responding to the consultation.
- GN commented the ambition was to go to QSQ in Q1 of next year, and there would be a rolling pre-qualification from there. GN commented that the RFTs would most likely be issued in Q2 or start of Q3 and using a batched approach for the different locations, with 6-week gaps between the batches. There will be milestones within the RFT for procurement of land, planning permissions etc. and the process will be similar (although not the same) as the ECP process.
- Question: FB asked if this procurement would be largely aimed at storage? GN responded affirmatively but commented that it's not black and white, and that discussions have taken place about how assets can participate in all markets.
- Question: CM asked what are you hoping to get out of the consultation? GN: We'd like to hear about different technology types, and we are counterfactual about the maturity of technologies. If there's a different way of achieving timelines that we haven't thought of.

Security of Supply

- CM gave an overview of the Beat the Peak domestic and commercial products that we put into the market last year to address security of supply changes last year. She commented on the high number of self-declared behavioural changes as a result of these campaigns.
- CM spoke about meeting with different customer groups to understand what worked well and what were the barriers. Iteration 2 this year will be used to further quantify what drives behavioural changes and will be available to drive flexibility.
- CM talked about BTP business and how it is open to all commercial customers who meet the eligibility criteria. We learned from last year that people wanted longer duration contracts.

This year we are supporting the product more heavily with recruitment advertising and with procurement.

- GN talked about how Beat the Peak is a great entry level flexibility scheme to drum up interest in Demand Response initiatives and to give people tools to engage with flexibility and create touchpoints for future initiatives.
- Question: BS asked if there had been any discussions on Behind the Meter storage. GN commented that engagement has started and technical proposals but that there is more work to be done here. GN talked about the length of the scheme being a consideration for businesses and that it needs to be long enough to build a commercial business case and test leavers.

DMSO Blueprint for Flexible Demand in Markets

- AK gave an overview about the plans and objectives of the DMSO Strategy Blueprint for the developments needed to drive and enable flexible demand and smart energy services across all relevant markets over the coming decade. A comprehensive engagement on the blueprint process is envisaged both with CRU and industry to work collaboratively on what we have to deliver.
- AK outlined that one of the core tenets of the programme we want to maintain is to learn and adapt. In order to have a mechanism to trial things before they transition into flexibility or retail markets, we may sandbox certain initiatives to see what works well.

TSO/DSO future operating model industry engagement approach

- AK and EK talked in a high level about the TSO/DSO JSOP (joint system operator programme) and the workshops since 2022 that have culminated in a high-level design for a future op model.
- AK and EK outlined that they are keen engage with industry on a TSO/DSO op model and asked for input on the groups preference for engagement.
- AK spoke to the timeframe and mentioned that we've started high level engagement with the CRU, but more is to be done. Industry engagement will probably take place in Q1 of next year however, this depends on a number of factors.
- BS talked about webinars being very useful.
- FB suggested to have a kick off webinar for scene setting followed by subsequent meetings with further details and possibly bilaterals for things like dispatch and scheduling. BS agreed that it's not always clear what's relevant and an "inform session" would help with signposting.
- AK confirmed we would take this feedback on board and discuss with Eirgrid.

AOB

Following a general request for feedback from AK:

- FB stated that he was very impressed with what the programme is doing, especially the determination to move fast recognising that "perfection is the enemy of good".
- BS stated that the level of engagement and increased presence and visibility at conferences and events is noticeable and good.

Meeting Closed

- AK thanked everyone for their input and participation and the meeting was closed.

Open Actions

ID	Owner	Action Description	Date Raised	Date Due	Comments
1	Alan Keegan	NN, LC Programme to confirm whether the pricing analysis paper that was submitted to the CRU can be shared with members of the Advisory Council.	25/07/2023	31/03/2023	
2	Alan Keegan	Invite suppliers to nominate a representative to the Advisory Council.	11/12/2023	31/03/2023	