



NETWORKS

# Large Energy Users Connection Policy Proposed Decision

ESB Networks' Response to CRU/202504 - Large Energy Users Connection Policy Proposed Decision

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# 1. Executive Summary

ESB Networks welcomes the opportunity to respond to this Commission for the Regulation of Utilities (CRU) consultation on the Large Energy User (LEUs) Connection Policy Proposed Decision. ESB Networks would further like to acknowledge the significant level of consideration and the effort that has been given to consulting on this important issue.

The electricity distribution network is essential for supporting economic growth and achieving the Irish Government's policies, including the Housing for All targets and the Climate Action Plan. In the coming years, the network must meet significantly increased electricity demand due to economic development, population growth, and the electrification of heat, transport, and industry. Additionally, a substantial increase in the amount of connected renewable generation is required.

Below we have highlighted our main points and further details in relation to these are included in Section 2. In Section 4 we respond to the specific questions raised in the decision paper.

ESB Networks key points for consideration are:

**Constrained Areas:**

The location of an application from a data centre and whether that location is a constrained area is the key criteria against which such applications will continue to be considered. It is important to note that decisions on which areas are constrained are dynamic and subject to ongoing review. The impact of each application from an LEU customer will need to be considered with regard to its potential impact on the location and it is noted that a single LEU application could make an area constrained.

**Support for Plan Led Approach:**

Given the scale of growth in demand for electricity network capacity and the long lead times involved in delivering major electrical infrastructure projects, currently capacity is limited on parts of the network. ESB Networks supports a plan-led approach to accommodate large-scale demand side requirements, like data centres, efficiently and securely.

With the planned revision to the National Development Plan there is an opportunity to ensure alignment with other Government policy measures, including housing, electrification and decarbonisation, as translated into the Plan.

**Publication of Information:**

ESB Networks publishes significant amounts of detailed network information regularly. This includes an interactive Available Capacity Heatmap and the Network Scenario Headroom Report, which will help improve the level of detail and granularity of published capacity information. ESB Networks is committed to expanding on this information in future and will work with the CRU, EirGrid and other stakeholders in this regard.

**Proximate Generation and Flexibility Requirements:**

ESB Networks notes the requirements regarding the use of dispatchable generation to support data centre applications. How proximate generation facilities will be managed from a contractual and operational perspective will be key. We note that there will not be a blanket requirement to provide flexibility but welcome the fact that the System Operators (SOs) have the option to require such flexibility as part of a connection offer on a case-by-case basis.

**Direction to System Operators:**

ESB Networks believes that the Direction to SOs is necessary to ensure Security of Supply and manage capacity constraints. Careful consideration should be given to implementation, including changes to connection agreements to best give effect to the direction.



## 2. Additional Details on Key Considerations

### Large energy Users and Network Development

The electricity system in Ireland is undergoing a period of substantial development and change. The scale and speed of demand growth in the LEU sector, and in particular from data centres, has created significant challenges for the electricity networks. This growth must be seen in the context of other demand drivers including requirements to meet decarbonisation targets, large scale electrification and the growing need for new housing connections.

The SOs have already enabled significant growth across all sectors of the economy, including LEU/data centre connections. These connections typically involve very large amounts of network capacity being allocated to a single customer. Given the long lead times required to deliver new network capacity, spare capacity has been fully absorbed in some locations, leading to capacity limitations and longer waiting times for other customers seeking connections.

These challenges have not only impacted on the ability of the electricity network to accommodate future data centre requirements but have the potential to impact on Ireland's ability to sustainably grow other enterprise sectors and deliver on national policy commitments.

In light of accelerated policy targets relating to housing, economic growth and climate action, the SOs are scaling up resources and investment to deliver significant network capacity growth over the next five years and beyond. This ambitious delivery programme (PR6) is focused on areas where the need is greatest and where there is known load growth. It remains the case however that this additional capacity could be absorbed relatively quickly by unforeseen data centre or LEU requirements.

The location of an application from a data centre and whether that location is a constrained area is therefore the key criteria against which such applications will continue to be considered. It is important to note that decisions on which areas are constrained on either the Transmission or Distribution systems are not static, rather assessment of which areas are constrained will be dynamic and subject to ongoing review. The impact of each application from an LEU customer will need to be considered with regard to its potential impact on the location and it is noted that a single LEU application could make an area constrained.

## Support for Plan Led Approach

Given the scale of growth in demand for electricity network capacity and the long lead times involved in delivering major electrical infrastructure projects, currently capacity is limited on parts of the network. ESB Networks supports a plan-led approach to accommodate large-scale demand side requirements, like data centres, efficiently and securely.

With the planned revision to the National Development Plan there is an opportunity to ensure alignment with other Government policy measures, including housing, electrification and decarbonisation, as translated into the Plan.

It is ESB Networks' view that a whole of Government delivery plan would assist ESB Networks, and other utility providers, to plan for the required services at the right locations for the range of Government targets. Such a plan-led and potentially event driven approach would provide clarity to all stakeholders on how and when individual elements of the plan would be delivered. This approach will help to provide certainty to investors and other stakeholders including regulators, supply businesses, customers and network operators and will help ensure that limited resources (contractors, equipment, sites etc.) are properly assigned in the most timely and efficient manner. In support of this, we are committed to working with the CRU, Government Departments, EirGrid, Gas Networks Ireland (GNI) and other stakeholders to undertake the proposed Market Intelligence Exercise.

## Publication of Information

We welcome the detail provided on the types and form of information that SOs will be obliged to provide and are committed to working with the CRU to build on the substantial achievements that have been delivered in this area already. ESB Networks has significantly expanded the amount of detailed network information that it publishes on a regular basis, including:

- An interactive Available Capacity Heatmap which contains capacity information on all our 3-phase Low Voltage, Medium Voltage and High Voltage Distribution System Operator (DSO) substations.
- The Network Scenario Headroom Report which consists of two capacity workbooks for both demand and generation (published) on the distribution system.

The publication of these workbooks is the first step in our plan to publish the Distribution Network Development Plan (DNDP). The complete DNDP is scheduled for release by the end of this year. ESB Networks is committed to continue to work with the CRU and other stakeholders to improve the level of detail and granularity of published capacity information as well as the frequency that it is published.

## Proximate Generation and Flexibility Requirements

ESB Networks is committed to ensuring the safe operation of the system and notes the requirements to provide on-site or proximate dispatchable generation to support data centre applications. We look forward to working with the CRU, EirGrid and other stakeholders to set out how proximate generation facilities will be managed from a contractual and operational perspective.

In relation to the CRUs proposed approach regarding the provision of flexibility services, we note that while LEUs will not be required to provide flexibility by default, the SOs may require such flexibility as part of a connection offer on a case-by-case basis.

EU regulations including the proposed Demand Response Network Code aim to ensure that demand response resources can support both the wholesale electricity markets and local network needs. This interoperability between markets helps enhance the overall efficiency and reliability of the power system and will allow flexibility providers to benefit from value stacking (the possibility of bundling multiple value streams from different grid services). In reality, it is hoped that customers opting in to provide flexibility services will become a more standard feature and incentives will be available for customers who provide these services.

## Direction to System Operators

ESB Networks is strongly of the opinion that the Direction to SOs is a necessary arrangement to help ensure Security of Supply and to allow SOs to manage and mitigate capacity constraints in accordance with the CRU Decision.

We consider that prior to any final determination careful consideration should be given to implementation of the direction in practice, as set out throughout this response. This includes, in particular, the consideration of any changes to connection agreements that may be necessary or desirable to best give effect to the direction. As suggested later in this response, the DSO considers there may be merit to having two aspects to the operative parts of the direction, being the direction regarding criteria to be assessed in the decision to offer a connection, and then separately, either within this direction or in a separation direction, the associated Connection Agreement requirements for data centres that are seeking a connection.

## 3. Role of ESB Networks

ESB Networks DAC (referred to in this submission as 'ESB Networks') is the licensed Distribution System Operator (DSO), and, pursuant to arrangements approved by the CRU, also acts as manager of ESB's licensed Distribution Asset Owner (DAO) and Transmission Asset Owner (TAO) functions. Unless otherwise specified, references to ESB Networks in this response refer collectively to the licensed DSO, TAO and DAO functions.

ESB Networks works to meet the needs of all Irish electricity customers – generation and demand – providing universal access to the electricity system. We deliver and manage the performance of a system of almost 160,000 km of overhead networks, 28,000 km of underground cables and 800 high voltage substations.

To date we have connected over 7GW of renewable generation to the electricity systems, from microgeneration, mini-generation and small-scale generation through to large amounts of distribution and transmission connected renewable generation. We have almost 2.5 million demand customers, a significant number of which are now becoming active customers – including, but not limited to, domestic and commercial premises with microgeneration/minigeneration (a rapidly increasing number); participants in flexible demand; and premises with battery storage.

### Retail Market Services

In its capacity as DSO, ESB Networks also delivers a range of services to the Irish retail electricity market servicing almost 2.5 million customers. It manages relationships with market participants and provides data in a timely and accurate fashion on a daily basis. It supports the wider Irish market through the ring-fenced Meter Registration System Operator (MRSO) and Retail Market Design Service (RMDS) and supports the wholesale Single Electricity Market through the provision of aggregated meter data.

In 2023, the National Network Operations, Local Connections Programme, National Smart Metering Programme, and Retail Market Services areas within ESB Networks have been structured into a single new unit, Distribution Markets and System Operation (DMSO). This function is responsible for driving and enabling smart energy services and flexible demand across all markets, enabling climate action and greater customer participation in a secure and sustainable energy system.

## 4. Responses to Consultation Questions

### Q1. Comments on Section 2 “Constrained regions of the electrical system and security of supply”.

This section raises fundamental issues that relate to the connection of LEU demand that are rightly described in detail. Addressing the concerns that are raised here in a robust and fully transparent way is critical to ensuring that LEU / Data Centre demand can be accommodated going forward in a way that allows for network capacity to be developed and allocated efficiently.

The paper highlights the level of work that is required to deliver planned network reinforcements. It should be emphasised that the delivery of this infrastructure will take a significant period of between 5-10 years. Substantial demand growth is already expected in this period, driven by new housing requirements, normal organic demand increases and other drivers relating to national electrification policies and the development of large-scale infrastructure projects particularly in the Dublin region.

ESB Networks agrees with the assertion in Section 2.5 (Network Planning) of the proposed decision that connection of LEUs in an unmitigated way has the potential to create and exacerbate the issue of constrained areas and the potential to frustrate connection of other customers including delivery of additional housing stock, Climate Action Plan targets and other Government priorities. ESB Networks notes the CRU’s view that it does not have the vires to direct or allow SOs to prioritise government policy objectives over other customer applications. ESB Networks is of the view that consideration be given to whether legislative changes in Ireland are necessary or desirable to provide the required vires, perhaps as part of the suggested plan-led approach.

#### Regional Constraints

The paper highlights the fact that the Dublin area is already experiencing the impact of large-scale LEU demand and describes the measures that are planned to alleviate these constraints. The paper further infers that areas outside Dublin are also at risk of being constrained in the same way. ESB Networks agrees with this assessment and also welcomes the level of transparency that will be brought about through the SOs publishing data on constrained areas. However, ESB Networks considers it is important for the CRU to emphasise that decisions on which areas are constrained on either the Transmission or Distribution systems are not static, rather these lists are dynamic and subject to ongoing review. Each application from an LEU customer will need to be considered with regard to its potential impact on the location, i.e. the network may be considered constrained in the context of the scale of a particular application.

## **Operational Security**

ESB Networks notes the commentary associated with EirGrid relating to data centre consumption patterns and behaviour exacerbating network disturbances and, while identified at transmission level, such behaviour will inevitably impact on the security of supply for all customers including customers connected to the distribution system.

## **Market Intelligence Exercise**

ESB Networks strongly supports the concept of a plan-led approach and sees such an approach as being the best way to ensure that network development is undertaken in a rational and coherent way. A plan led approach should undertake a wider assessment of the associated requirements for connection of large loads – including other infrastructure requirements (gas, water, communications etc). Such an approach will allow for a proper assessment of Ireland's requirements for Data Centre facilities and an understanding of what is feasible to be connected. This will help facilitate timely connection of all customers, including LEUs and data centres.

ESB Network accepts the requirement for the SOs to undertake a suitable Market Intelligence Exercise (MIE) in conjunction with EirGrid and GNI, in support of the development of a plan led approach. ESB Networks is satisfied that the high-level description of the MIE is reasonable and looks forward to working with the CRU, SOs and other stakeholders as required to agree the details of a terms of reference and timelines for completion of this important piece of work.

## Q2. Comments on Section 3 “Proposed decision on electricity connections”.

### Category of Applicant

ESB Networks notes that, as per the previous Data centre Direction, the proposed decision will apply to all data centres. We note the considerable detail that has been provided regarding the characteristics of data centre load and the details of the actual and forecast data centre demand growth, the impact on overall demand and how data centre demand compares with other types of loads on the system.

ESB Networks’ view is that the decision should continue to apply to all data centres regardless of size and without a de minimis level being introduced. This is due to the fact that even small data centres could negatively impact on the operation of the distribution system especially in severely constrained areas. ESB Networks would also have concerns that the introduction of a de minimis level could give rise to a raft of small applications for connection to the distribution system exacerbating already limited system capacity conditions, with multiple relatively small applications in the same area having the same cumulative impact as a single large application.

Notwithstanding this, if a de-minimis level is to be introduced this should be capped at 100kVA and a cumulative cap on applications at individual locations of 100kVA should also apply.

### Requirement to Provide onsite or proximate generation and /or storage

ESB Networks welcomes the proposed decision to require data centres to install onsite or proximate generation and that de-rating rules will apply and the requirements that generation fuel should be futureproofed in terms of facilitating low/zero emissions in future. It should be noted that all generators, proximate, onsite or non-exporting, with the capability to parallel with the ESB Networks distribution system will be subject to the appropriate technical assessment.

### Proximate Generation

#### Processing Proximate Generation Applications

ESB Networks welcomes this concept of proximate generation as a potential method to help mitigate the impact on security of supply and local network constraints when contemplating connection of new LEU demand. We note that SOs will be empowered to decide on whether the siting of generation meets system requirements and believe that this is helpful in providing assurance to the SOs about how this type of generation will be deployed.

ESB Networks understands that if the generation is proximate, it would be connected directly to the network and that it is not intended that a Direct Line or Private Wire is envisaged to connect the data centre customer directly to the generator.

ESB Networks notes that SOs will have right to adjust Maximum Import Capacity (MIC) according to reliability of associated generation. This is welcome, however, if the customer has access to full MIC at times of planned or unplanned outages of the generator, this creates a risk to the local operation of the system during these times especially given the fact that the data centre will be exempted from providing Mandatory Demand Curtailment (MDC) and potentially may not be required to operate flexibly.

It should also be noted that proximate generation will lead to a change in how data centres are assessed. They are currently treated as exporting auto producers i.e. as a Demand customer with generation behind the meter. As the sites in the case of proximate generation will each be connected separately to the system, it will result in a change in how they are charged for grid connections (and also the works and costs associated with providing two connections). The data centre and proximate generator will require separate connections to the distribution network.

It should be noted that Auto-Producers will be processed via the Enduring Connection Policy - Generator Site Selection (ECP-GSS) process and it will be important that any proximate generation application processed via ECP-GSS is linked to a specific data centre application. It would be appropriate if the CRU could confirm that planning permission would also be required for the data centre application linked to the proximate generation application which requires planning permission to make an ECP-GSS application.

Finally, it is likely that protocols will need to be developed on information sharing regarding the operation of onsite / proximate generation, especially with regard to outage planning and generator reliability and that these may need to be reflected in updates to the connection agreement.

### **Proximate Generation and Local Network Constraints**

ESB Networks has concerns that the provision of onsite or proximate generation may not fully resolve local distribution network constraints. This is because the onsite or proximate generation may not be available (for planned or unplanned reasons) or may not be running at times when there is local / transient constraint on the distribution system as it is possible that the market will not require the onsite or proximate generation provided by the data centre at that time. The DSO will not have direct access to the proximate or onsite generation to resolve the constraint and should therefore retain an option to curtail the demand at the data centre in this scenario.

### **Mandatory Demand Curtailment**

ESB Networks notes the paper states that LEUs which bring dispatchable generation will not be required to participate in Mandatory Demand Curtailment (MDC) process. MDC is a critical tool for responding to system alerts and emergencies. The ability to curtail load from data centres is a vital mechanism in managing demand during critical periods. ESB Networks suggests that such exemptions create an unreasonable risk to the operation of the system at times when the generator is unavailable due to planned or unplanned outages regardless of whether the generator meets the appropriate reliability requirements, especially if the associated generation is unavailable on a planned or unplanned basis during the MDC event. For the efficient operation of the system, it is crucial to retain the ability to require the data centre to decrease its load during system alerts or emergencies. Requiring the data centre to participate in MDC reduces the risk to all customers in the event of a network constraint.

If, notwithstanding these concerns, such a derogation from the MDC process is included for LEUs with proximate generation, then at a minimum, this derogation should be contingent on compliance by the customer with any minimum obligations (e.g. related to availability or reliability) that have been set out in the Connection Agreement or otherwise. In this regard, it is important that the SOs have a means of accessing information to confirm such compliance.

## **Location**

ESB Networks notes the CRUs comments regarding the potential impact of new demand and generation in certain locations and the fact that they may add to a current constraint. It is worth noting that additional demand applications can create constraints, and that large single loads can create this effect over a short period / immediately and that it will be difficult to deliver the required system reinforcements in the same time period.

## **Publication of Information**

We welcome the detail provided on the types and form of information that SOs will be obliged to provide and are committed to working with the CRU to build on the substantial achievements that have been delivered in this area already.

ESB Networks notes the commentary relating to the publication of system information and the CRU's request for SOs to provide a proposal relating to Directive (EU) 2024/1711 (Article 2). ESB Networks is committed to ensuring that all requirements are delivered in this regard.

ESB Networks currently publishes:

- An interactive Available Capacity Heatmap which contains capacity information on all our 3-phase LV, MV and HV DSO substations
- The Network Scenario Headroom Report which consists of two capacity workbooks for both demand and generation on the distribution system. The publication of these workbooks is the first step in our plan to publish the Distribution Network Development Plan (DNDP). It is planned to publish the full DNDP in Q3/Q4 2025.

ESB Networks is committed to continue to work with the CRU and other stakeholders to improve the level of detail and granularity of published capacity information as well as the regularity in which it is published.

## **Demand Flexibility**

ESB Networks notes that the CRU has stipulated that, while there will be no blanket requirements for LEUs to provide flexibility, SOs will have the option to require the provision of such services on a case-by-case basis. ESB Networks welcomes the option for the SOs to require the provision of flexibility and believe it will provide SOs with suitable control to stipulate measures that could be used to facilitate LEU connections. See further answer to question 4 below for further commentary regarding provision of flexibility.

## **Renewable Energy Targets & Emissions Requirements**

We note that the draft decision provides details of new requirements for data centres to self-report to the SOs in relation to emissions and their use of renewable energy. The SOs will then be required to publish this information on an annual basis. As part of this process, we understand that the role of SOs will be limited simply to publishing the required information provided by data centres and that SOs will not be responsible for auditing or validating information nor managing queries that result from publication.

While ESB Networks is committed to working with the CRU, EirGrid and data centre companies to ensure that this obligation is delivered as required, we are aware that similar obligations are already in place through new SEAI and EU mandated schemes. We therefore suggest that the CRU consider that if the required data is being published elsewhere it is potentially confusing and inefficient to implement this further reporting mechanism through the SOs, that may be of little additional value.

**Q3. Comments are invited from respondents as to whether there should be a minimum level in terms of MIC below which this policy, or elements thereof, should not apply and, if so, what would be a reasonable minimum level of MIC?**

ESB Networks' view is that the decision should continue to apply to all data centres regardless of size and without a de minimis level being introduced. This is due to the fact that our experience is that data centre load type and load profile is the same regardless of size and that even small data centres could negatively impact on the operation of the distribution system especially in severely constrained areas.

Introduction of a de minimis level could also give rise to applications to connect to less constrained, rural areas of the network and can result in a number of technical issues such as power quality, harmonic and disturbing load issues which can negatively impact existing customers. Such technical issues can also result in the requirement for significant distribution reinforcements at MV and HV with associated cost implications.

ESB Networks would also have concerns that the introduction of a de minimis level could give rise to a raft of small applications for connection to the distribution system exacerbating already limited system capacity conditions, with multiple relatively small applications in the same area having the same cumulative impact as a single large application.

Notwithstanding this, if a de-minimis level is to be introduced this should be capped at 100kVA and a cumulative cap on applications at individual locations of 100kVA should also apply.

**Q4. Comments are invited from respondents on the proposed approach of providing the System Operators with the ability to require demand flexibility from data centres on the local system as deemed necessary on a case-by-case basis.**

### **Demand Flexibility**

ESB Networks notes that the CRU has stipulated that while there will be no blanket requirements for LEUs to provide flexibility, however the SOs will have the option to require the provision of such services on a case-by-case basis and we welcome this option. As outlined in the proposed decision paper, the benefit of flexibility has been recognised through the Climate Action Plan and the CRU National Energy Demand Strategy in terms of contributing to carbon abatement, while ESB Networks acknowledges the value of flexibility services in managing network constraints, optimising the utilisation of existing electricity networks, and reducing costs for all customers.

Additionally, the policy outlines how data centres connecting to the electricity network will be required to provide dispatchable onsite or proximate generation and/or storage capacity which matches their Maximum Import Capacity (MIC), subject to derating requirements. This generation is required to participate in the wholesale electricity market. Where this generation and/or storage is connected to the distribution network, in addition to any Demand Flexibility measures, it has the potential to provide flexibility to address local network challenges as well as contribute to the wholesale electricity market. The ability to stack the benefits of flexibility assets across the whole system is being addressed in the TSO-DSO Operation Model, which is currently being developed between ESB Networks and EirGrid. This direction is also emerging from EU regulations, including the proposed Demand Response Network Code.

In terms of providing flexible connections, there will be a need to ensure that flexibility agreements do not create unintended system constraints or bottlenecks, particularly for SOs. If flexibility requirements are not clearly defined, there is a risk that SOs will struggle to implement them effectively. The operational model for flexible connections, including how SOs would monitor and enforce compliance, needs to be worked out, and ESB Networks will work with the CRU to develop these requirements.

A key enabler of flexible connections, as well as leveraging the whole system benefits of all flexibility assets connected to the distribution network, is the TSO/DSO operating model. ESB Networks and EirGrid are currently working on the detailed design of this model and to inform the systems that will need to be developed to support its implementation. It will be important to ensure that the existing implementation timelines for the TSO/DSO operating model are considered by the CRU in terms of any decision.

**Q5. Comments are invited from interested parties in relation to the topics described in Section 4 Gas connections.**

ESB Networks does not have sight of the number of “islanded” data centres that are currently connected to the gas network. However, ESB Networks shares the concern that large numbers of islanded data centres will impact on security of supply concerns with regard to electricity supply at times of high gas usage which will likely coincide with high electricity demand. There would be obvious concern if gas supply to network electricity generators supplying power to the wider electricity network was deprioritised in order to fulfil firm gas supply contracts to islanded data centres. The development and use of interruptible gas contracts for LEUs would therefore be welcome.

ESB Networks suggests that it may be useful for the Electricity and Gas System Operators to exchange information in relation to data centre applications and connections. However, SOs are bound by confidentiality obligations in respect of customer data, and as a result the CRU Direction to SOs on this point may be required.

**Q6. Comments are invited from interested parties in relation to the proposed approach described in Section 5 Proposed direction to System Operators.**

ESB Networks makes the following observations regarding the wording of the new data centre direction:

- Assuming the proximate generation criterion is retained, the wording in the proposed decision is clear that this is mandatory. For the purposes of providing clarity to all stakeholders it may be beneficial that additional language be included in the direction to make this clearer.
- We note that certain proposed requirements for proximate generation that are set out in the decision are included within the draft direction, but the requirement for the customer to build up their generation in line with the demand is not included in the draft direction. As set out below, we believe there may be merit to having a separate part of the direction setting out associated changes to connection agreements, and this particular requirement may be more suited as a contractual obligation rather than an assessment criterion. Equally, the criteria concerning availability and any new operational protocols will likely need to be reflected in the Connection Agreements.
- The issue of Demand flexibility is discussed at length in the wider Decision and while ESB Networks welcomes the discretion provided to SOs to require flexibility if deemed appropriate, work is required to understand how such a requirement will be applied.
- The commitment to reporting should not be an assessment criterion as it is not a plan or proposal by the customer that can be assessed, rather it appears to be a straightforward requirement that will be imposed on a data centre customer. As such, we suggest that this instead be introduced as a contractual requirement for any data centre customers that are connected.
- Contractual requirements in the Connection Agreement are key to implementing some of the issues outlined above. The DSO considers that it may be appropriate that any such changes be implemented by way of separate direction from the CRU, possibly to coincide with the direction included as part of this decision.

## **Q7. Comments are invited from interested parties in relation to Section 6 Future potential evolution of LEU policy**

The CRU has set out the significant amount of work that is currently ongoing with regard to developments of policy associated with Demand connections. ESB Networks continues to play a central role in this space and is, for example, committed to delivering new flexibility products.

We welcome the suggestion of a focussed approach to developing an understanding of the needs of the data centre industry through the Market Intelligence Exercise and associate plan led approach, as outlined in this consultation. This could be an effective way of addressing the specific issues that have been raised in this and previous consultations on this subject. As noted already ESB Networks looks forward to working with the CRU and other stakeholders to deliver on this approach.

## 5. Conclusion

ESB Networks is supportive of the CRU's consultation and again would further like to acknowledge the significant level of consideration and the effort that has been given to consulting on this important issue. The growth of LEUs in the context of Ireland's energy, housing, and climate action targets continues to be an area of scrutiny for both policymakers and the public. ESB Networks remains available to work with the CRU and look forward to further engagement as this important policy area progresses.





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