



An Coimisiún
um Rialáil Fóntais
**Commission for
Regulation of Utilities**

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Commission for Regulation of Utilities

Phase 2 Offshore Wind - Grid Connection Pathway

Decision Paper

Decision Paper

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CRU Strategic Plan 2022-24

| | |
|---|---|
| Our Mission <ul style="list-style-type: none">• Protecting the public interest in water, energy, and energy safety. | Our Strategic Priorities <ul style="list-style-type: none">• Ensure Security of Supply• Drive a Low Carbon Future• Empower and Protect Customers• Enable our People and Organisational Capacity |
| Our Vision <ul style="list-style-type: none">• Safe, secure, and sustainable supplies of energy and water, for the benefit of customers now and in the future. | |

Executive Summary

Introduction

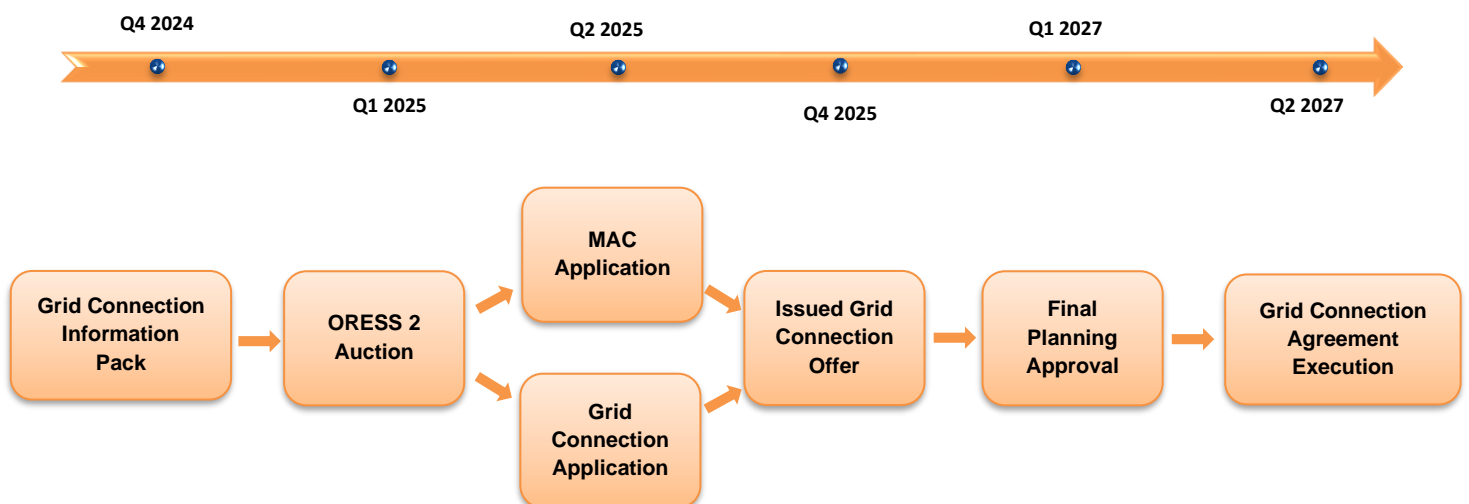
This paper outlines the Commission for Regulation of Utilities (CRU) decision on the grid access requirements for Phase 2 offshore wind projects following a review of stakeholder responses to the earlier proposed decision ([CRU2023102](#)).

At a high level, this decision creates a pathway, with clear milestones, by which a Phase 2 offshore project can secure and execute grid access. The decision also sets out the obligations on EirGrid to facilitate grid access to the transmission system for Phase 2 offshore projects. Additionally, this decision will enable EirGrid to complete and issue a Grid Connection Information (GCI) pack to any project seeking to participate in the next state auction Tonn Nua as well as any future Phase 2 auctions.

In developing this decision, the CRU has considered Government Policy for Phase 2, the [draft ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction](#), and the [draft South Coast Designated Maritime Area Plan for Offshore Renewable Energy](#). The CRU has also considered the differences between Phase 1 (developer-led approach, whereby the developer selects the site and constructs the grid assets) and Phase 2 (plan-led approach, whereby the state selects the site and EirGrid constructs the grid assets). Additionally, the CRU has considered the permitting timeframes set out in Article 16 of [RED III](#).

Figure 1 below illustrates the main steps in the grid connection pathway for Phase 2. It illustrates how the grid connection process will operate alongside the other consenting processes, i.e., the MAC process with the Marine Area Regulatory Authority (MARA) and planning consent from An Bord Pleanála (ABP).

Figure 1: Grid Connection pathway for Phase 2.



It should be noted that Figure 1 is provided for illustrative purposes only.

It should be noted that this decision applies to offshore wind projects seeking to connect to the transmission grid via Phase 2 and which are supported by the Offshore Renewable Electricity Support Scheme (ORESS) only. Grid connection pathways for alternative Routes to Market (e.g. merchant route, etc), which are currently undefined, are outside the scope of this decision. Further consultations and decisions are required to define the grid connection policy relevant to alternative routes to market and future Phases.

Background

Ireland has a Government target to install at least 5 GW capacity of offshore wind generation by 2030. This will require the development of a new offshore electricity grid. Given that, the CRU is developing a regulatory framework and supporting regulatory policies for the new offshore electricity transmission grid to support the Government's ambition. These policies include but are not limited to:

- **offshore wind grid connection policy** (the subject of this decision paper);
- grid connection charging;
- the economic regulation of the TSO as Offshore Asset Owner (OAO);
- licensing and authorisation;

Development of Phase 1 offshore wind projects was developer-led, meaning the developer selected the site, and will build the grid and windfarm assets. The CRU has developed regulatory policy for Phase 1 ORESS supported and Merchant projects to enable them to connect to the grid and understand how the grid assets they build and transfer to EirGrid will be treated. The state's first offshore auction ORESS 1 auction concluded in June 2023, where 3,074 MW of new offshore capacity was awarded.¹ In addition, two Merchant Phase 1 projects, with a combined capacity of over 1,100 MW, are also progressing. All six Phase 1 projects have obtained a Maritime Area Consent (MAC) and hold a Grid Connection Assessment (GCA), and so they could be developed if planning consents from An Bord Pleanála (ABP) are achieved, and the Phase 1 projects decide to take a final investment decision.

In March 2023, the Department for Environment, Climate and Communications (DECC) established [Accelerating Ireland's Offshore Energy Programme - Policy Statement on the](#)

¹ [EirGrid, Renewable Electricity Support Scheme – ORESS 1 Final Auction Results, 14 June 2023.](#)

[Framework for Phase Two Offshore Wind](#) for accelerating offshore wind deployment in Ireland via a plan-led system. The Statement also established the basis for offshore wind auctions under the [Offshore Renewable Electricity Support Scheme \(ORESS\)](#) in Phase 2. Therefore, Phase 2 will be plan-led, meaning EirGrid will design, develop and construct the offshore grid to connect to state designated sites. Phase 2 will seek to connect offshore wind projects to contribute to the delivery of the remaining generation capacity needed to meet the 2030 target of 5 GW. The DECC has consulted on the [draft South Coast Designated Maritime Area Plan for Offshore Renewable Energy](#) (South Coast-DMAP), which identifies four proposed Maritime Areas off the South Coast within which fixed offshore wind farms may be located in the future. It also includes supporting policy objectives to guide its implementation and governance. The South Coast-DMAP is consistent with and builds upon national policies and plans, including the [National Marine Planning Framework](#), which identifies a central role for offshore renewable energy in driving Ireland's green energy transition and energy security. In addition, the DECC has separately consulted on the [draft ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction](#). The ORESS Tonn Nua auction is expected to take place in Q1 2025. Government will seek to procure up to 900 MW of offshore wind capacity within the SC-DMAP.

Decision

In developing this decision, the CRU has considered the [Government Policy Statement for Phase 2](#), the [draft ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction](#), and the [draft South Coast Designated Maritime Area Plan for Offshore Renewable Energy](#). The CRU has also considered the differences between Phase 1 (developer-led) approach, whereby the developer selects the site and constructs the grid assets and Phase 2 (plan-led) approach, whereby the state selects the site and EirGrid constructs the grid assets. Additionally, the CRU has considered the permitting timeframes set out in Article 16 of [RED III](#).

Following careful consideration of the responses to the proposed decision ([CRU2023102](#)), the CRU has decided on the grid access requirements for Phase 2 offshore wind projects. In general, the CRU has decided to proceed with the proposals that were outlined in the proposed decision paper. Where updates have been made relative to the proposals in the proposed decision paper, these are specified in Table 1 below and rationale for each update is provided in Section 3 of this paper.

At a high level, this decision paper creates a pathway, with clear milestones, by which a Phase 2 offshore wind project can secure and execute grid access. The decision also sets out the obligations on EirGrid to facilitate grid access to the transmission system for Phase 2

projects.

Table 1 below summarises the CRU’s final decisions alongside any updates from the proposals set out in the proposed decision paper ([CRU2023102](#)).

Positions that have been updated from the proposals in the proposed decision paper are underlined.

Table 1: Summary of Phase 2 Offshore Wind Grid Connection Policy Decisions.

| Section | Proposed Decisions (CRU2023102) | Decisions |
|---|--|---|
| Prior to ORESS 2 Auctions² | | |
| Grid Access Details | <ul style="list-style-type: none"> EirGrid to issue a Grid Feasibility Scenario(s) (GFS). | <ul style="list-style-type: none"> <u>EirGrid to publish a Grid Connection Information (GCI) pack.³</u> |
| Grid Connection Information (GCI) Pack | <ul style="list-style-type: none"> EirGrid to provide information to potential Phase 2 projects on feasible options for grid access. Information should be suitably detailed, robust, and timely to allow effective auction participation. Information provided prior to the auction will become more detailed/certain over time and ultimately would be akin (in respect of detail and topics covered) to what was supplied as part of the GCAs in Phase 1. Information should be readily available to any potential bidders, published on the EirGrid website where possible. Grid Feasibility Scenario(s) (GFS) – may include variables such as⁴ differing connection points, asset boundaries, network capacities and etc. | <ul style="list-style-type: none"> <u>GCI pack⁵ should contain as a minimum:</u> <ul style="list-style-type: none"> <u>A description of the grid connection point and land fall location, connection methodology, operating parameters, indicative land and marine cable routes, offshore substation location(s), site investigations and geophysical survey data.</u> <u>A list of relevant Site-Related Connection Equipment (SRCE) including Operational and Maintenance (O&M) requirements.</u> <u>A scope and list of connection works required to deliver the SRCE for the successful project including timescales.</u> <u>A breakdown of the connection charges including any pass-through charges (where applicable) and charging arrangements.</u> <u>A list of the relevant general and functional specifications, including TSO/TAO technical interface requirements.</u> <u>A risk register identifying consenting, project and interface risks, and proposed mitigation actions.</u> <u>Details of relevant transmission works which are required for energisation to occur, including</u> |

² Once DECC has published ORESS Terms and Conditions, e.g., ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction, and the DMAP is adopted by the Oireachtas, e.g., SC-DMAP for ORESS Tonn Nua.

³ One GCI pack per auction site.

⁴ But not limited to.

⁵ GCI pack is not a grid connection offer. The GCI pack may be updated (supplemented) by EirGrid to include further relevant information that EirGrid consider necessary for developers to be aware of in advance of the auction.

| | | |
|--|---|--|
| | | <p><u>expected timelines for delivery. Where energisation is dependent on certain reinforcements, these reinforcements will be identified, and timelines provided.</u></p> <ul style="list-style-type: none"> Information should be readily available to any potential bidders, published on the EirGrid website in sufficient time in advance of an ORESS auction. |
| GCI Timeline, Engagement, and Actions | <ul style="list-style-type: none"> EirGrid proactively and collaboratively work with Industry. CRU to monitor EirGrid's Industry engagement. GFS issued 30 calendar days prior to Phase 2 auction. | <ul style="list-style-type: none"> EirGrid proactively and collaboratively work with industry. <u>EirGrid to publish an Engagement Plan within 15 calendar days following the DMAP's establishment and Phase 2 ORESS T&Cs publication.</u> <u>EirGrid to hold an Industry Workshop(s) no later than 30 calendar days following the DMAP's establishment and Phase 2 ORESS T&Cs publication.</u> CRU to monitor EirGrid's Industry engagements. <u>EirGrid to publish GCI pack at least 90 calendar days prior to Phase 2 ORESS auction commencing.</u> |
| Post ORESS 2 Auctions | | |
| Full Connection Offer (FCO) Application | <ul style="list-style-type: none"> Successful project applies to EirGrid to receive an Indicative Connection Offer (ICO). In parallel the successful project submits a Maritime Area Consent (MAC) application. It should be noted that if MAC application is unsuccessful, project loses ICO, and grid application becomes invalid. | <ul style="list-style-type: none"> ORESS successful project submits a Maritime Area Consent (MAC) application. <u>In parallel the successful ORESS project submits to EirGrid a Full Connection Offer (FCO) application.⁶ As part of the FCO application, the project provides all required technical information to EirGrid in order to complete its "micro-siting", design review and optimisation processes.</u> <u>MEC applied for at FCO application must be equal to or lower than the upper range limit (MW) outlined in the GCI pack.</u> <u>Should the MAC application be unsuccessful, or the ORESS Letter of Offer rescinded, the FCO application becomes invalid.</u> |
| Full Connection Offer (FCO) Validity and Conditionality | <ul style="list-style-type: none"> Timeframes and requirements related to obtaining the Full Connection Offer (FCO) to remain consistent with Phase 1. | <ul style="list-style-type: none"> <u>Subject to the CRU's approval, EirGrid to issue an FCO within a target of 90 business days from the FCO application.⁷</u> <u>FCO validity period will be 3 months after the project</u> |

⁶ ORESS successful project is required to submit the FCO application within 3 months of receipt of the successful ORESS Notice of Award of Phase 2 ORESS.

⁷ FCO can only be issued to the project that holds a valid MAC and has received an ORESS Letter of Offer following a Phase 2 ORESS auction.

| | | |
|---|--|---|
| | | <p><u>fully concludes the planning consent process with An Bord Pleanála.⁸</u></p> <ul style="list-style-type: none"> • <u>During the period that a project is seeking the Final Planning Consent, the grid will be held for the project at capacity applied for in the FCO.⁹</u> • <u>Should the MAC become invalid, or Letter of Offer rescinded, or Final Planning Consent (FPC) not be achieved from ABP, the FCO becomes invalid.</u> |
| <p>Full Connection Offer (FCO) Execution</p> | <ul style="list-style-type: none"> • Subject to gaining all necessary consents (outlined below) the project is eligible to request a Full Connection Offer from EirGrid: <ul style="list-style-type: none"> • ORESS Notice of Award (if applicable); • Maritime Area Consent Granted; and • Final planning consent from An Bord Pleanála (ABP). | <ul style="list-style-type: none"> • <u>Subject to gaining all necessary consents (outlined below) the project is eligible to execute the “Connection Agreement” (i.e., the FCO):</u> <ul style="list-style-type: none"> • Received ORESS Letter of Offer; • Granted Maritime Area Consent (MAC); and • Granted Final Planning Consent (FPC) from ABP. • <u>The FCO can only be executed after the above requirements have been met.</u> • <u>Should the MAC or Final Planning Consent (FPC) become invalid, or ORESS Letter of Offer rescinded, the Connection Agreement becomes invalid.</u> |

⁸ Planning consent process for the purpose of this decision is defined as the decision from An Bord Pleanála on planning consent application including the outcome of any judicial review proceedings.

⁹ The CRU considers that grid access should not be held by any project that fails to progress in a timely manner or demonstrate sufficient intent to connect and energise. The grid will be held until the FCO is executed or the MAC become invalid, or Letter of Offer rescinded, or FPC is not achieved from ABP.

Public / Customer Impact Statement

The Irish Government has set ambitious targets for the development of offshore wind up to 2030 and beyond. This will require significant changes to the electricity network in Ireland, including the development of new offshore infrastructure which will be required to connect the offshore wind farms to the electricity grid.

The Government has designated EirGrid as the owner of Ireland's offshore transmission assets. EirGrid is the Transmission System Operator (TSO) in Ireland. As the licensed TSO, EirGrid's role to date has been focused on system balancing, market operation, and network planning activities. The CRU is responsible for the economic regulation of EirGrid.

New offshore renewable generation needs to connect to the electricity grid to participate in energy markets and supply electricity demand. The processes for connecting offshore wind are technically and commercially complex. In addition to this complexity, the European Renewable Energy Directive (RED III) includes a number of requirements for the permit granting process for offshore renewable energy, including rules on the timelines for the permit-granting procedures for offshore wind generators. The need to decarbonise the electricity system will drive continued expansion of offshore renewable generation. The associated targets and timelines for offshore electricity present significant challenges to the transmission and the distribution networks with new policy required to meet them.

To support the Governments ambitious targets, the CRU is required to decide ahead of the first Phase 2 auction, what the pathway and conditions that a Phase 2 project must meet in order to submit a Full Connection Offer (FCO) application and execute a grid connection offer from EirGrid.

The following points set out some of the potential impacts that connecting Phase 2 offshore wind projects can have on energy consumers:

- **Reliability of supply**

New offshore generator connections increase the amount of electricity that can be generated to meet and exceed the demand for electricity. Hence, its connections support security and reliability of supply.

- **Environmental and climate action goals**

Increasing electricity generated from renewable sources such as offshore wind reduces the carbon-intensity of the energy sector.

- **Wholesale electricity prices**

The connection of new offshore wind generation increases competition. This puts downward pressure on wholesale prices, one of the main components of a consumer's bill.

- **Network charges**

Generators initially fund the local costs of connecting to the grid network, reducing the cost risk to consumers through network charges. This cost may increase the PSO levy if it is bid by generators into support auctions.

- **Offshore transmission infrastructure cost**

In order to deliver on the Government 2030 offshore targets of 5 GW, a new fleet of offshore transmission assets will need to be built. Taken collectively, the six Phase 1 projects and the first Phase 2 successful project(s) will support delivery of that ambition. This ambition will come at a cost, which is currently estimated to be in excess of €5 billion.

EirGrid will take ownership of offshore transmission assets, whether constructed by EirGrid or by developers. EirGrid will also be required to operate and maintain the offshore transmission assets. As a result, EirGrid will need to rapidly transform its business over the next decade, to acquire the resources and expertise to fulfil its new role. This will need to be undertaken alongside EirGrid's existing system operator role, which is critical in facilitating Ireland's energy system transformation and reducing whole system costs.

The CRU, separate to this decision, has developed an offshore revenue model for EirGrid([CRU202499](#)). It provides amongst other things, the platform for facilitating the required financing for EirGrid to deliver the offshore grid needed to enable Ireland's Net Zero ambitions, ensuring that this is achieved efficiently and in the best interests of electricity consumers.

In progressing this framework, the CRU will continue to work with the Department of Energy, Climate and Communications (DECC), EirGrid and all relevant stakeholders to ensure consumers are protected, while delivering on Ireland's climate ambitions.

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Glossary of Abbreviations and Terms

| Abbreviation or term | Definition or meaning |
|----------------------|---|
| The 1999 Act | Electricity Regulation Act, 1999 |
| ABP | An Bord Pleanála |
| CPPA | Corporate Power Purchase Agreements |
| CRU | Commission for Regulation of Utilities (formerly, Commission for Energy Regulation) |
| DECC | Department of the Environment, Climate and Communications |
| DHLGH | Department of Housing, Local Government and Heritage |
| DMAP | Designated Marine Area Plan |
| DSO | Distribution System Operator (ESB Networks) |
| EU | The European Union |
| FAQ | Firm Access Quantity |
| FCO | Full Connection Offer |
| FPC | Final Planning Consent |
| GCA | Grid Connection Assessment |
| GCI | Grid Connection Information |
| GFS | Grid Feasibility Scenario |
| GW | Gigawatt |
| ICO | Indicative Connection Offer |
| MAC | Marine Area Consent |
| MARA | Marine Area Regulatory Authority |
| MEC | Maximum Export Capacity |
| MW | Megawatt |
| OAo | Offshore Asset Owner |
| OCAD | Offshore Connection Agreement Document |
| O&M | Operational and Maintenance |
| ORESS | Offshore Renewable Electricity Support Scheme |
| PSO | Public Service Obligation |
| RED | Renewable Energy Directive |

| | |
|-----------------|---|
| SC-DMAP | South Coast Designated Maritime Area Plan |
| SO | System Operator (i.e., TSO and DSO) |
| SRCE | Site-Related Connection Equipment |
| TAO | Transmission Asset Owner (ESB Networks) |
| TSO | Transmission System Operator (EirGrid) |
| T&Cs | Terms and Conditions |

1. Introduction

The Government's [Climate Action Plan](#) in 2019 included an action to progress and develop the planning, Route to Market, and grid access for offshore wind projects.

In March 2023, the Department for Environment, Climate and Communications (DECC) established [Accelerating Ireland's Offshore Energy Programme - Policy Statement on the Framework for Phase Two Offshore Wind](#) for accelerating offshore wind deployment in Ireland via a plan-led system. The Statement also established the basis for offshore wind auctions under the [Offshore Renewable Electricity Support Scheme \(ORESS\)](#) in Phase 2. Therefore, Phase 2 will be plan-led, meaning EirGrid will design, develop and construct the offshore grid to connect to the state designated sites. Phase 2 will seek to connect offshore wind projects to contribute to the delivery of the remaining generation capacity needed to meet the 2030 target of 5 GW.

At a high level, this decision paper creates a pathway, with clear milestones, by which a Phase 2 offshore project can secure grid access. The decision also sets out the obligations on EirGrid to facilitate grid access for Phase 2 offshore projects. Additionally, it will enable EirGrid to complete and issue a Grid Connection Information (GCI) pack to any project seeking to participate in the upcoming Tonn Nua ORESS auction and any future Phase 2 auctions.

Background

Ireland has a Government target to install at least 5 GW capacity of offshore wind generation by 2030. This will require the development of a new offshore electricity grid. Given that, the CRU is developing a regulatory framework and supporting regulatory policies for the new offshore electricity transmission grid to support the Government's ambition.

Development of Phase 1 offshore wind projects was developer led. The CRU has developed regulatory policy for Phase 1 ORESS and Merchant projects. The ORESS 1 auction concluded in June 2023, where 3,074 MW of new offshore capacity was awarded.¹⁰ Two Merchant Phase 1 projects, with a combined capacity of over 1,100 MW, are also progressing. All six Phase 1 projects have obtained a Maritime Area Consent (MAC) and hold

¹⁰ [EirGrid, Renewable Electricity Support Scheme – ORESS 1 Final Auction Results, 14 June 2023.](#)

a Grid Connection Assessment (GCA), and so they could be developed if planning consents from An Bord Pleanála (ABP) are achieved.

Phase 2 will follow Phase 1 and will contribute to the delivery of the remaining generation capacity needed to meet the 5 GW target. Phase 2 will be plan-led, meaning EirGrid will design, develop and construct the offshore grid to connect to state designated sites. The first Phase 2 auction known as ORESS Tonn Nua is expected to commence in Q1 2025. Government will seek to procure up to 900 MW of offshore wind capacity within the SC-DMAP.

The DECC has consulted on the [draft South Coast Designated Maritime Area Plan for Offshore Renewable Energy](#) (SC-DMAP), which identifies four proposed Maritime Areas off the South Coast within which fixed offshore wind farms may be located in the future. It also includes supporting policy objectives to guide its implementation and governance. The SC-DMAP is consistent with and builds upon national policies and plans, including the [National Marine Planning Framework](#), which identifies a central role for offshore renewable energy in driving Ireland's green energy transition and energy security. In addition, the DECC has separately consulted on the [draft ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction](#).

In August 2023, the CRU consulted on the grid access requirements for Phase 2 offshore wind projects and for Phase 1 offshore wind projects that did not hold an ORESS 1 Notice of Award ([CRU2023102](#)), i.e., Merchant Phase 1 projects. In December 2023, the CRU issued a decision ([CRU2023156](#)) on the grid access pathway for Merchant Phase 1 offshore wind projects.

1.1 Legal Context

The CRU's functions and duties are set out principally in section 9 of [the Electricity Regulation Act 1999](#), as amended (the 1999 Act). In particular, according to section 9 (4) (a) of the 1999 Act, the CRU shall carry out its statutory functions in a manner which does not discriminate unfairly between relevant stakeholders, and also have regard, among other things, to the need to:

- protect the interests of final customers and to secure that all their reasonable demands for electricity are satisfied;
- promote the continuity, security, and quality of supplies of electricity;
- promote competition; and

- promote efficiency and the use of renewable, sustainable, or alternative forms of energy.

Under section 34 of the Act 1999, the CRU may give directions to the transmission system operator (TSO) and distribution system operator (DSO), collectively the “system operators” (SOs) on the terms and conditions of access to the distribution and transmission system. Specifically, section 34 (2) (c) of the 1999 Act provides that the CRU’s directions may provide for “*the terms and conditions upon which an offer for connection to the transmission or distribution system is made*”.

Additionally, the CRU considered the requirements of European legislation related to the internal market in energy. This includes the Third Energy Package ([Directive 2009/72/EC](#), [Regulation 714/2009](#)), the Clean Energy Package for all Europeans (including [Directive 2019/944](#), [Directive 2018/2001](#) and [Regulation 2019/943](#)) and the EU Network Codes and Guidelines.

1.2 Renewable Energy Directive (RED III)

The Renewable Energy Directive (RED) was first introduced in 2009 and is the legal framework for the development of clean energy across all sectors of the EU economy, supporting cooperation between EU countries towards this goal.

The revised RED II was introduced in 2018. In November 2023, the further revised Directive EU/2023/2413¹¹ entered into force as RED III. Article 16 of RED III includes a number of requirements for the permit granting process for offshore renewable energy, including rules on the timelines for the permit-granting procedures for offshore wind projects. As outlined in RED III, the permit-granting procedure covers all relevant administrative permits to build, repower and operate offshore wind plants, including those combining different renewable energy sources, heat pumps, and co-located energy storage, including power and thermal facilities, as well as assets necessary for the connection of such plants, heat pumps and storage to the grid, and to integrate renewable energy into heating and cooling networks, including grid-connection permits and, where required, environmental assessments. Relevant administrative permits may include those relevant to both planning and grid. Some of the most relevant elements of Article 16¹² to the development of this grid connection policy

¹¹ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302413

¹² “Renewables acceleration area” means a specific location or area, whether on land, sea or inland waters, which an EU Member State designated as particularly suitable for the installation of renewable energy plants. (RED III). At the time of

include:

Permit-granting procedure in renewables acceleration areas:

- *“Member States shall ensure that the permit-granting procedure referred to in Article 16(1) shall not exceed 12 months for renewable energy projects in renewables acceleration areas. However, in the case of offshore renewable energy projects, the permit-granting procedure shall not exceed two years. Where duly justified on the ground of extraordinary circumstances, Member States may extend either of those periods by up to six months. Member States shall inform the project developer clearly of the extraordinary circumstances that justify such an extension.*
- *The permit-granting procedure for the repowering of renewable energy power plants, for new installations with an electrical capacity of less than 150 kW, for co-located energy storage, including power and thermal facilities, as well as for their grid connection, where located in renewables acceleration areas, shall not exceed six months. However, in the case of offshore wind energy projects, the permit-granting procedure shall not exceed 12 months. Where duly justified on the ground of extraordinary circumstances, such as on grounds of overriding safety reasons where the repowering project has a substantial impact on the grid or on the original capacity, size or performance of the installation, Member States may extend the six-month period by up to three months and the 12-month period for offshore wind energy projects by up to six months. Member States shall inform the project developer clearly about the extraordinary circumstances that justify such an extension.”*

Permit-granting procedure outside renewables acceleration areas:

- *“Member States shall ensure that the permit-granting procedure referred to in Article 16(1) shall not exceed two years for renewable energy projects located outside renewables acceleration areas. However, in the case of offshore renewable energy projects, the permit-granting procedure shall not exceed three years. Where duly justified on the grounds of extraordinary circumstances, including where they require extended periods needed for assessments under applicable Union environmental law, Member States may extend either of those*

publishing this Decision Paper, the CRU does not have any information as to where renewable acceleration areas may or may not be located. The CRU notes that timelines are shorter for projects located within renewable acceleration areas.

periods by up to six months. Member States shall inform the project developer clearly of the extraordinary circumstances that justify such an extension.

- *The permit-granting procedure for the repowering of renewable energy power plants, for new installations with an electrical capacity of less than 150 kW and for co-located energy storage, as well as for the connection of such plants, installations and storage to the grid, located outside renewables acceleration areas shall not exceed 12 months, including with regard to environmental assessments where required by the relevant law. However, in the case of offshore renewable energy projects, the permit-granting procedure shall not exceed two years. Where duly justified on the ground of extraordinary circumstances, Member States may extend either of those periods by up to three months. Member States shall inform the project developer clearly of the extraordinary circumstances that justify such an extension.”*

The CRU understands that the intention of RED III is that a collective, collaborative approach is adopted by relevant stakeholders within an EU Member State. In particular, the CRU is aware that the two-year permit-granting timeline¹³ or the three-year permit-granting timeline¹⁴ detailed in RED III includes both planning-related and grid-related permitting and is cognisant that measures are required to align the relevant constituent elements of the planning-permitting and grid-permitting processes. The CRU has been engaging with relevant stakeholders regarding the implementation of Article 16 of RED III to gain a common understanding of the requirements and the interactions between the different permitting procedures and to identify areas where sharing of information may be beneficial. As work continues in this regard, the CRU is also cognisant of the need for clarity on the Phase 2 offshore grid connection policy, ensuring a pathway for the connection of offshore wind projects, in particular those required for decarbonisation and for security of supply. Therefore, the CRU has progressed development of the policy to provide a pathway for connection of offshore renewable projects that should meet the timelines outlined in RED III for grid permitting, while also taking account of other permitting processes.

1.3 Phase 2 National Policy and Regulatory Context

The national policy context for Phase 2 offshore wind projects includes the following:

¹³ Permit-granting procedure in renewables acceleration areas.

¹⁴ Permit-granting procedure outside renewables acceleration areas.

- Government's [Climate Action Plan 2019](#) included an action to progress and develop the planning, Route to Market, and grid access for offshore wind projects (June 2019).
- Government's [Climate Action Plan 2024](#) included an action to publish the South Coast Offshore Renewable Energy DMAP (May 2024).
- Department of Housing, Local Government and Heritage (DHLGH) [National Marine Planning Framework](#), which identifies a central role for offshore renewable energy in driving Ireland's green energy transition and energy security (June 2021).
- DECC's [Accelerating Ireland's Offshore Energy Programme - Policy Statement on the Framework for Phase Two Offshore Wind](#)", which accelerates offshore wind deployment in Ireland via a plan-led system (March 2023).
- DECC's consultation on the [draft South Coast Designated Maritime Area Plan for Offshore Renewable Energy](#), which identifies four proposed Maritime Areas off the South Coast within which fixed offshore wind farms may be located in the future (May 2024).
- DECC's consultation on the [draft ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction](#), terms and conditions for the next offshore wind auction ORESS 2.1 Tonn Nua, the first such auction under the Phase 2 Policy (May 2024).
- CRU proposed decision ([CRU2023102](#)), which outlines CRU's proposed decisions on the grid access requirements for Phase 2 offshore wind projects and the obligations on EirGrid when facilitating access to the transmission network.
- CRU consultation ([CRU202412](#)), which explores the charging policy options the CRU is considering applying to offshore wind generation projects as they seek to connect to the grid under Phase 2 offshore grid connection policy.
- CRU decision ([CRU202499](#)), which sets out the revenue model to be applied to EirGrid in its new role as an Offshore Asset Owner (OAO).

1.4 Regulatory Policy Objectives of Offshore Grid Connection Policy for Phase 2

The CRU decisions set out within this paper have been made in line with the regulatory policy objectives for offshore grid connection assets for Phase 2 projects. The relevant policy objectives are set out below:

1. Provide objective, transparent, and non-discriminatory terms and conditions for connecting new producers in line with the Clean Energy Package for all Europeans.
2. Enable projects that best align with overarching Government policy direction on climate action and the CRU's strategic priority of enabling high levels of renewable integration through market design and development.
3. Enable the delivery of Ireland's Climate Action Plan 2024, which sets out a roadmap for taking decisive action to halve Ireland's emissions by 2030 and reach net zero by no later than 2050. This includes the ambition to deliver at least 5 GW of offshore wind capacity by 2030.
4. Minimise the price impact on consumers (from PSO and network charges) by ensuring appropriate transmission asset lifecycle costs.

1.5 Purpose of this Paper

The purpose of this decision paper is to outline the CRU's policy decision on the grid access requirements for Phase 2 offshore wind projects following a review of stakeholder responses to the proposed decision [CRU2023102](#). It will create a pathway, with clear milestones, by which a Phase 2 offshore project can secure and execute grid access. Additionally, this decision sets out the obligations on EirGrid to facilitate grid access to the transmission system for Phase 2 offshore projects. It will enable EirGrid to complete and issue a Grid Connection Information (GCI) pack for the Tonn Nua and any future Phase 2 state support auctions.

It should be noted that this decision applies to offshore wind projects seeking to connect to the transmission grid via Phase 2 and which are supported by the ORESS only. The grid connection access requirements and pre-requisites for future offshore phases will be decided in line with evolving national policy for offshore renewable energy and long-term grid planning.

This paper is structured as follows:

Section 1: Introduction to the context of this decision on the grid access requirements for Phase 2 offshore wind projects, including the obligations on EirGrid when facilitating access to the transmission network.

Section 2: Provides a summary of the linked responses to the Phase 2 proposed decision paper ([CRU2023102](#)).

Section 3: Details the decision on the grid access requirements for Phase 2 projects.

Section 4: Details the upcoming work to implement this decision.

1.6 Related Documents

This decision should be read in conjunction with the following CRU documents on offshore Phase 1 and Phase 2 policy.

Table 2: Related policy documents.

| | | |
|----------------------------|--|-----------------------|
| CRU202499 | <i>Offshore Revenue Model – EirGrid</i> | Decision |
| CRU202466 | <i>Asset Treatment for Merchant Phase 1 Offshore Wind Projects</i> | Decision |
| CRU202412 | <i>Phase 2 Offshore - Grid Charging Policy</i> | Consultation |
| CRU202411 | <i>Offshore Revenue Recovery Model – EirGrid</i> | Consultation |
| D/23/17500 | <i>Offshore Connection Agreement documents approval process</i> | Letter |
| CRU2023156 | <i>Grid Connection Pathway for Phase 1 Offshore Wind (Merchant projects)</i> | Decision |
| CRU2023102 | <i>Offshore Grid Connection Pathway – Phase 2</i> | Proposed Decision |
| CRU202361 | <i>Independent Technical Advisor – Offshore Phase 1 – Update</i> | Information Note |
| CRU202313 | <i>Offshore Grid Connection Assets Treatment – Phase 1</i> | Supplemental Decision |
| CRU202309 | <i>Offshore Grid Connection Assets Treatment – Phase 1</i> | Decision |
| SEM-23-004 | <i>Firm Access Methodology in Ireland</i> | Decision |
| CRU2023114 | <i>Firm Access - Detailed Methodology in Ireland</i> | Decision |
| CRU2022968 | <i>Offshore Connection Policy – Phase 1</i> | Decision |

| | | |
|---------------------------|--|------------------|
| CRU202214 | <i>Grid Connection Assessment (GCA) – Offshore Phase 1</i> | Decision |
| CRU21112a | <i>EirGrid study “Offshore Phase 1 Projects – Grid Connections Assessment”</i> | Study |
| CRU20020 | <i>Offshore Wind Grid Delivery</i> | Direction letter |

2. Summary of Consultation Responses

On 21 August 2023, the CRU published a proposed decision paper on the grid access requirements for Phase 2 offshore wind projects and the obligations on EirGrid when facilitating access to the transmission network. The CRU received 29 responses to the proposed decision paper, eight of which were marked as confidential. A complete list of the respondents is provided below.

1. Alpha Marine
2. Amazon
3. Arklow and District Chamber of Commerce
4. ASL Safety & Training
5. Bord Gáis Energy (confidential)
6. Chambers Ireland
7. Cllr. Pat Kennedy
8. Codling Wind Parks (confidential)
9. Corio Generation (confidential)
10. Courtown Community Council (confidential)
11. Electricity Association of Ireland
12. Echelon Data Centres
13. EDF Renewables
14. EirGrid
15. Energia
16. ESB and Orsted
17. ESB Generation and Trading
18. Fred Olsen Seawind (confidential)
19. LMH Engineering Ltd
20. Ocean Wind and BnM
21. Oriel Windfarm
22. Orsted
23. RWE (confidential)
24. Senator Pat Casey
25. SEE Plc (confidential)
26. Statkraft (confidential)
27. Wind Energy Ireland
28. Wicklow Sailing Club

29. Wicklow Town and District Chamber

It should be noted that the grid access pathway for Phase 2 projects is the subject of this decision paper. Therefore, only points made by respondents with regards to grid access for Phase 2 projects are summarised below. All non-confidential submissions to the proposed decision [CRU2023102](#) are published on the CRU's website alongside this decision paper.

In the proposed decision the CRU asked if:

1. ***“Do you agree with CRU's proposed obligations on EirGrid for facilitating grid access under Phase 2? Are there other obligations on EirGrid which should be considered?”***

The majority of respondents welcomed the CRU's proposed obligations on EirGrid for facilitating grid access under Phase 2. The respondents noted that the CRU should set out an engagement process for EirGrid and potential Phase 2 applicants, including presenting clear direction for EirGrid to engage with the bidders as early as possible in the process to ensure relevant information is exchanged in a manner that supports the delivery of Phase 2. Additionally, some respondents recommended that the milestones and information provided should be decided by the CRU.

2. ***“Do you believe 30 days before the qualification stage of Phase 2 is sufficient for auction participants to evaluate the Grid Feasibility Scenario(s)?”***

The majority of respondents highlighted that the proposed 30 days duration is not enough time for Phase 2 bidders to evaluate the grid connection information. The respondents noted that the grid connection information is a very important input to their financial models that create developers' bids for auctions. Some respondents noted that in ORESS 1 a Grid Connection Assessment (GCA) was issued 4.5 months prior to the auction. Additionally, the respondents clarified that a minimum of three months is required to evaluate the grid connection information before the qualification stage of an auction. A number of other respondents considered that to understand the timeframe, they need clarity on the nature and detail of the grid connection information. Some respondents suggested that a minimum of 60 working days would be a more realistic and appropriate timeframe.

3. “Should EirGrid provide a single or range of GFS scenarios? What are the benefits, risks, and implications of either approach?”

The majority of responses supported a single grid connection information pack for the state selected site. The respondents noted that a single scenario creates more certainty for potential Phase 2 developers. Responses noted that multiple scenarios could lead to uncertainty and delay. Some respondents considered that if there are multiple auction sites then multiple grid connection information packs would be required, i.e., one grid connection information pack per ORESS auction site. Several respondents suggested that EirGrid should provide the optimum grid connection information pack for the DMAP selected auction by Government. Greater confidence going into an auction should help ensure offshore projects are financeable, lead to lower bid prices and ultimately deliver a lower cost to Irish consumers.

4. “Do you agree with the pre-requisites for obtaining and maintaining an Indicative Connection Offer?”

The majority of respondents did not support the CRU’s introduction of the Indicative Connection Offer (ICO). The respondents did not understand the purpose and intended benefits of the ICO. Respondents had concerns with regards the timing and potential for material changes between the grid connection information, ICO and FCO stages. Nearly all responses considered that a conditional Full Connection Offer (FCO) would be a more efficient process. Respondents noted that a Phase 2 auction winner could apply directly for an FCO, and that it could be issued by EirGrid but not executed until final development planning consent approval from ABP is awarded. The respondents highlighted that this approach would be consistent with the approach used in Phase 1.

5. “Do you agree with the pre-requisites for obtaining and maintaining a Full Connection Offer?”

The majority of respondents supported the CRU’s proposed decision. The respondents clarified that the pre-requisites for the FCO are consistent with the approach used in Phase 1 and protects against a project hoarding valuable grid capacity when it cannot progress to complete development. Some respondents noted that any longstop dates introduced post Phase 2 auction should be consistent and should seek to replicate the longstops implemented in Phase 1.

6. *“Do you agree that there should be a grid access pathway outside ORESS auctions for Phase 2? If so, what grid process should be implemented to facilitate this?”*

The CRU notes that the majority of the responses supported the proposed decision for a non ORESS route to grid for Phase 2. However, the CRU notes that the remaining of the majority of respondents raised concerns regarding a non ORESS pathway for Phase 2. The majority of respondents noted that a Merchant route for Phase 2 would align with RED III and it would treat all projects equally. However, it would not align with the Government policy for Phase 2. It was stated that a non ORESS pathway for Phase 2 would contradict the plan-led approach and the current process allowing projects to secure seabed through an ORESS route to market. Several respondents highlighted that development of a grid pathway outside of ORESS for Phase 2 should involve a public consultation and coordination with the CRU, DECC, MARA and EirGrid.

The CRU notes the responses above and it has considered them carefully in forming the decisions outlined in the decision section below. As such, the CRU has no further commentary on the responses.

3. Grid Connection Pathway for Phase 2 Projects

This section sets out the grid access requirements for Phase 2 offshore wind projects and the rationale for the decision. Following careful consideration of the responses to the earlier proposed decision ([CRU2023102](#)), the CRU has decided on the connection policy applicable to Phase 2 projects which are supported by the Offshore Renewable Electricity Support Scheme (ORESS) only. This decision also sets out the obligations on EirGrid for facilitating grid access to the transmission system for Phase 2 projects. In general, the CRU has decided to proceed with the proposals that were outlined in its earlier proposed decision paper. Where updates have been made relative to the proposals in the proposed decision paper, these are specified in Table 3 below and rationale for each update is provided in this section.

In developing this decision, the CRU has considered the [Government Policy Statement for Phase 2](#), the [draft ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction](#), and the [draft South Coast Designated Maritime Area Plan for Offshore Renewable Energy](#). The CRU has also considered the differences between Phase 1 (developer-led) approach, whereby the developer selects the site and constructs the grid assets and Phase 2 (plan-led) approach, whereby the State selects the site and EirGrid constructs the grid assets. Additionally, the CRU has considered the permitting timeframes set out in Article 16 of [RED III](#).

Phase 2 projects should note that should they fail to meet the conditions set out below, their FCO application or their FCO will become invalid, and they will not be able progress to secure a grid connection via Phase 2 grid connection policy.

Table 3: Summary of Phase 2 Offshore Wind Grid Connection Policy Decisions.

| Section | Decisions |
|---|---|
| Prior to ORESS 2 Auctions¹⁵ | |
| Grid Access Details | <ul style="list-style-type: none"> • EirGrid to issue a Grid Connection Information (GCI) pack.¹⁶ |

¹⁵ Once DECC published ORESS Terms and Conditions, i.e., ORESS 2.1 Terms and Conditions Tonn Nua Offshore Wind Auction, and the DMAP is adopted by the Oireachtas, i.e., SC-DMAP for ORESS Tonn Nua.

¹⁶ One GCI pack per auction site.

| | |
|---|--|
| <p>Grid Connection Information (GCI) Pack</p> | <ul style="list-style-type: none"> • GCI pack¹⁷ should contain as a minimum: <ul style="list-style-type: none"> • A description of the grid connection point and land fall location, connection methodology, operating parameters, indicative land and marine cable routes, offshore substation location(s), site investigations and geophysical survey data. • A list of relevant Site-Related Connection Equipment (SRCE) including Operational and Maintenance (O&M) requirements. • A scope and list of connection works required to deliver the SRCE for the successful project including timescales. • A breakdown of the connection charges including any pass-through charges (where applicable) and charging arrangements. • A list of the relevant general and functional specifications, including TSO/TAO technical interface requirements. • A risk register identifying consenting, project and interface risks, and proposed mitigation actions. • Details of relevant transmission works which are required for energisation to occur, including expected timelines for delivery. Where energisation is dependent on certain reinforcements, these reinforcements will be identified, and timelines provided. • Information should be readily available to any potential bidders, published on the EirGrid website in sufficient time in advance of an ORESS auction. |
| <p>GCI Timeline, Engagement, and Actions</p> | <ul style="list-style-type: none"> • EirGrid proactively and collaboratively work with Industry. • EirGrid to publish an Engagement Plan within 15 calendar days following the DMAP's establishment and Phase 2 ORESS T&Cs publication. • EirGrid to hold an Industry Workshop(s) no later than 30 calendar days following the DMAP's establishment and Phase 2 ORESS T&Cs publication. • CRU to monitor EirGrid's Industry engagements. • EirGrid to publish GCI pack at least 90 calendar days prior to Phase 2 ORESS auction commencing. |
| <p>Post ORESS 2 Auctions</p> | |
| <p>Full Connection Offer (FCO) Application</p> | <ul style="list-style-type: none"> • ORESS successful project submits a Maritime Area Consent (MAC) application. |

¹⁷ GCI pack is not a grid connection offer.

| | |
|---|--|
| | <ul style="list-style-type: none"> • In parallel the successful ORESS project submits to EirGrid a Full Connection Offer (FCO) application¹⁸. As part of the FCO application, the project provides all required technical information to EirGrid in order to complete its “micro-siting”, design review and optimisation processes. • MEC applied for at FCO application must be equal to or lower than the upper range limit (MW) outlined in the GCI pack. • Should the MAC application be unsuccessful, or the ORESS Letter of Offer rescinded, the FCO application becomes invalid. |
| <p>FCO Validity and Conditionality</p> | <ul style="list-style-type: none"> • Subject to the CRU’s approval, EirGrid to issue an FCO within a target of 90 business days from the FCO application.¹⁹ • FCO validity period will be 3 months after the project fully concludes the planning consent process with An Bord Pleanála.²⁰ • During the period that a project is seeking the Final Planning Consent (FPC), the grid will be held for the project at capacity applied for in the FCO.²¹ • Should the MAC become invalid, or ORESS Letter of Offer rescinded, or FPC not be achieved from ABP, the FCO becomes invalid. |
| <p>FCO Execution</p> | <ul style="list-style-type: none"> • Subject to gaining all necessary consents (outlined below) the project is eligible to execute the “Connection Agreement and Offer Letter” (i.e., the FCO): <ul style="list-style-type: none"> • Received ORESS Letter of Offer; • Granted Maritime Area Consent (MAC); and • Granted Final Planning Consent (FPC) from ABP. • The FCO can only be executed after the above requirements have been met. • Should the MAC or FPC become invalid, or ORESS Letter of Offer rescinded, the Connection Agreement becomes invalid. |

¹⁸ ORESS successful project is required to submit the FCO application within 3 months of receipt of the successful Notice of Award of Phase 2 ORESS.

¹⁹ FCO can only be issued to the project that holds a valid MAC and has received an ORESS Letter of Offer of a Phase 2 ORESS auction.

²⁰ Planning consent process for the purpose of this decision is defined as the decision from An Bord Pleanála on planning consent application including the outcome of any judicial review proceedings.

²¹ The CRU considers that grid access should not be held by any project that fails to progress in a timely manner or show sufficient intent to connect and energise. The grid will be held until the FCO is executed or the MAC become invalid, or ORESS Letter of Offer rescinded, or final planning consent is not achieved from ABP.

3.1 Grid Access Details

CRU Decision

- EirGrid to provide Grid Connection Information (GCI) pack for use by potential Phase 2 ORESS bidders.²²

It should be noted that the GCI pack is not a grid connection offer.²³ It will be published by EirGrid to offshore projects prior to a Phase 2 ORESS auction for specific DMAP site(s). The issuance of the GCI pack should provide necessary information to allow all potential Phase 2 bidders to develop a solid understanding of project characteristics including relevant charges, and to support an efficient bid into the Government's ORESS auctions. The minimum contents of the GCI pack are outlined in Section 3.3 below. The CRU notes that the information in the GCI pack may evolve following engagements between EirGrid and potential Phase 2 developers. EirGrid should publish the relevant and necessary information (that can be provided pre auction), in a timely manner, to allow bidders consider bidding into the auction.

Supporting Rationale for Decision

In its proposed decision paper ([CRU2023102](#)), the CRU proposed that prior to Phase 2 ORESS auctions EirGrid should provide a Grid Feasibility Scenario(s) (GFS) for use by all potential Phase 2 bidders. Following an auction, the successful project would have a defined time (i.e., 30 calendar days) in which to choose which GFS to progress with (from the range provided by EirGrid prior to the auction). Consequently, in parallel with the Maritime Area Consent (MAC) application, the successful project could apply to EirGrid to receive an Indicative Connection Offer (ICO). Therefore, after the successful project receives the MAC and the final development planning consent approval, it would be able to apply to EirGrid for a Full Connection Offer (FCO).

The majority of the respondents raised concerns about the timing and potential for material changes between the GFS, ICO and FCO stages and recommended that the CRU reconsiders this process. The respondents cautioned against introducing additional stages that could create unnecessary complication for Phase 2 ORESS auctions and could create

²² One GCI pack per auction site.

²³ The full grid connection offer terms and conditions and offer letter will be developed by EirGrid and subject to CRU approval. .

inefficiencies for the CRU, EirGrid, offshore project developers and electricity consumers. Several respondents noted that the Phase 2 auction winner could apply directly for an FCO, and that it could be issued by EirGrid but not executed until final development planning consent approval from ABP is awarded. The respondents did not understand the purpose and expected benefits of the multiple GFS scenarios and the ICO stage. They noted that the more certainty provided before Phase 2 ORESS auctions, the better the outcome should be for the potential bidders and Irish energy consumers through lower ORESS auction bids. As such, a single grid connection information pack associated with each Phase 2 auction, would be more effective.

The CRU has carefully considered the responses regarding the GFS and ICO stages as prerequisites to an FCO. The CRU acknowledges that greater certainty going into a Phase 2 auction should help ensure Phase 2 ORESS projects are financeable, should lead to lower bid prices, and should eventually deliver a lower cost to the final customer. The CRU considers that the grid connection information package and the pathway to the FCO stage should be optimised, straightforward, and should not introduce unnecessary steps and delays.

On that basis, the CRU has updated its position and has decided to replace the proposed GFS and ICO stages with a Grid Connection Information (GCI) pack. The CRU notes that a GCI pack is not a grid connection offer²⁴. It is a grid information pack which will detail the connection methodology and cost of connecting Phase 2 ORESS projects to the transmission system.²⁵

The CRU considers that, given Ireland is transitioning to a plan led system where EirGrid is developing assets to serve state-designated sites, the onus is on EirGrid to present and share relevant grid connection information with potential Phase 2 developers. This should support developers in deciding whether to bid into a Phase 2 ORESS auction.

The CRU has decided that EirGrid will publish the GCI pack to potential Phase 2 ORESS projects. The GCI pack will be for specific DMAP sites and Phase 2 ORESS auctions. It will be readily available on the EirGrid website to any potential Phase 2 bidders. See the Section below for the minimum contents of the GCI pack.

²⁴ The full grid connection offer terms and conditions and offer letter will be subject to CRU consultation in due course.

²⁵ The contents (but not limited to) of the GCI pack is outlined in Section 3.3 below.

3.2 Grid Connection Information (GCI) Pack

CRU Decision

- GCI pack²⁶ issued by EirGrid will contain:
 - A description of the grid connection point and land fall location, connection methodology, operating parameters, indicative land and marine cable routes, offshore substation location(s), site investigations and geophysical survey data.
 - A list of relevant Site-Related Connection Equipment (SRCE) including Operational and Maintenance (O&M) requirements.
 - A scope and list of connection works required to deliver the SRCE for the successful project including timescales.
 - A breakdown of the connection charges including any pass-through charges (where applicable) and charging arrangements.
 - A list of the relevant general and functional specifications, including TSO/TAO technical interface requirements.
 - A risk register identifying consenting, project and interface risks, and proposed mitigation actions.
 - Details of relevant transmission works which are required for energisation to occur, including expected timelines for delivery. Where energisation is dependent on certain reinforcements, these reinforcements will be identified, and timelines provided.
- Information should be readily available to any potential bidders, published on the EirGrid website where possible in sufficient time in advance of an ORESS auction.

Supporting Rationale for Decision

In the proposed decision paper, the CRU suggested that the Grid Feasibility Scenario(s) (GFS) should be suitably detailed, robust, and timely to allow effective auction participation. The CRU also suggested that the GFS may include, but not be limited to, variables such as differing connection points, asset boundaries, network capacities. The CRU proposed that all

²⁶ GCI pack is not a grid connection offer.

this information would be provided by EirGrid to offshore projects prior to an ORESS 2 auction, be readily available to any potential bidders, and published on the EirGrid website. In terms of the process, the CRU proposed that data provided prior to the auction would become more detailed/certain over time and ultimately would be akin (in respect of detail and topics covered) to what was supplied as part of the GCAs in Phase 1.²⁷ The CRU further noted that given the different auction criteria in Phase 2 compared to Phase 1 (i.e., a single DMAP site with a defined location and defined capacity size), the CRU was of the view that a fully bespoke grid assessment for each applicant is not necessary.

The CRU acknowledges that the proposed decision responses contained further suggestions for information which might be included in the GCI pack. The CRU notes that Phase 2 is a plan led system where EirGrid is developing assets in state designated sites. As such, the onus is on EirGrid to present and share relevant grid connection information to potential Phase 2 developers in order to support them in deciding whether to bid into an ORESS auction.

The CRU has engaged with EirGrid, WEI and Industry, and considers that the information detailed above is appropriate as the minimum contents of the GCI pack. The CRU has decided that, following Industry engagements, EirGrid will add any additional relevant information to the GCI pack, if necessary, prior to a Phase 2 ORESS auction. The CRU will monitor EirGrid and Industry engagement on this matter. The minimum contents of the GCI pack should provide the necessary certainty for Phase 2 ORESS developers to mitigate any risks associated with bidding into an auction. The GCI pack must be published at least 90 calendar days prior to a Phase 2 ORESS auction commencing, to avoid delaying participation in that auction.

It should be noted that the GCI pack is not a grid connection offer. The full grid connection offer terms and conditions and offer letter will be subject to an EirGrid consultation in due course.

²⁷ [CRU202214](#) - Offshore Grid Connection Assessment – Phase 1 Projects – decision.

3.3 GCI Timeline, Engagement, and Actions

CRU Decision

- EirGrid proactively and collaboratively work with industry.
- EirGrid to publish an Engagement Plan **within 15 calendar days** following the DMAP's establishment and Phase 2 ORESS T&Cs publication.
- EirGrid to hold an Industry Workshop(s) **no later than 30 calendar days following** the DMAP's establishment and Phase 2 ORESS T&Cs publication.
- EirGrid to publish GCI pack **at least 90 calendar days** prior to Phase 2 auction commencing.

Supporting Rationale for Decision

In the proposed decision paper ([CRU2023102](#)), the CRU considered that EirGrid has a key role to play in successfully delivering the offshore wind targets. The CRU noted that EirGrid's role centres on delivering the required infrastructure and providing the necessary information to prospective bidders about this infrastructure in order to facilitate competitive auctions. It further noted that uncertainty around network infrastructure might result in prospective bidders applying higher risk premia to their bids, which may increase the cost risk to Irish consumers. The grid access policy for Phase 2, and EirGrid's role in delivering grid access, should be designed to maximise the use of available grid capacity and minimise price impact risk to consumers. As such, in [CRU2023102](#), the CRU proposed the following obligations on EirGrid:

- Proactively and collaboratively work with Industry.
- Provide information to potential Phase 2 projects on feasible options for grid access.
- A clear process for the Phase 2 projects that meet the relevant criteria to obtain grid access.

The CRU highlighted that EirGrid should work closely with Industry to provide sufficient information, in a timely manner, to allow auction bidders to fully understand the grid access risks associated with the geographical area identified for each Phase 2 auction. The CRU suggested that EirGrid should determine the most efficient approach to engage with Industry. In its proposed decision, the CRU also suggested that EirGrid should publish an appropriate range of 'Grid Feasibility Scenario(s)' (GFS) for all bidders in a defined time period (i.e., at

least 30 calendar days prior to the start of the qualification process for a Phase 2 auction). However, the CRU acknowledged that proposed timing of the GFSs may need to be revised as an outcome of DECC's '[ORESS Phase 2](#)' consultation.

The majority of respondents supported the CRU's proposed obligations on EirGrid for facilitating grid access under Phase 2. The respondents noted that the CRU should set out an engagement process for EirGrid and potential Phase 2 applicants, including presenting clear direction for EirGrid to engage with the participants as early as possible in the process to ensure relevant information is exchanged in a manner that supports delivery of Phase 2. Some respondents recommended that the milestones and information to be provided should be decided by the CRU. Nearly all respondents highlighted that the proposed 30 days duration is not enough time for Phase 2 bidders to evaluate the grid connection information. The respondents noted that the grid connection information is a very important input to their financial models underpinning developer bids for Phase 2 ORESS auctions. The respondents referred to the fact that in Phase 1 a Grid Connection Assessment (GCA) was issued 4.5 months prior to the auction, and as such, a consistent timeframe would be appreciated. In spite of that some respondents suggested that a minimum of 60 working days would be more realistic and appropriate time.

The CRU has carefully considered the responses regarding the timeline, engagement, and actions on EirGrid for facilitating grid access under Phase 2. The CRU considers that EirGrid has a key role to play in successfully delivering the offshore wind targets for 2030. Additionally, the CRU highlights that Phase 2 is plan-led, whereby EirGrid is developing assets in state designated sites. The CRU considers that the onus is on EirGrid to present and share relevant grid connection information to potential Phase 2 developers in order to support them in deciding whether to bid into an ORESS auction. The CRU further considers that EirGrid has to work closely with potential Phase 2 ORESS auction bidders in order to provide sufficient information, which would deliver certainty that developers could use to lower any unnecessary risk being bid into the auction. As such, the CRU has decided that once the South Coast-DMAP is established and adopted by the Oireachtas, and the Phase 2 ORESS T&Cs published, EirGrid will publish an Engagement Plan within 15 days of these publications. No later than 30 days after this publication, EirGrid should hold an Industry Workshop(s). The CRU will monitor EirGrid and Industry's engagement to minimise the risk of any delay to the issuance of the GCI pack. The CRU has decided that EirGrid must issue the GCI pack at least 90 calendar days prior to Phase 2 ORESS auction commencing.

3.4 Full Connection Offer (FCO) Application

CRU Decision

- ORESS successful project submits a Maritime Area Consent (MAC) application.
- In parallel the successful ORESS project²⁸ submits to EirGrid a Full Connection Offer (FCO) application. The FCO application has to be submitted within 3 months of receipt of the ORESS Notice of Award of Phase 2. As part of the FCO application, the project provides all required technical information to EirGrid in order to complete its “micro-siting”, design review and optimisation processes.
- MEC applied for at FCO application must be equal to or lower than the upper range limit (MW) issued in the GCI pack.
- Should the MAC application be unsuccessful, or the Letter of Offer rescinded, the FCO application becomes invalid.

Supporting Rationale for Decision

The CRU’s proposed decision considered evolving European and national energy policy including the prioritisation and timelines in the Government’s Climate Action Plan and the timelines for the permit-granting process for the relevant administrative permits to build, repower and operate plants for the production of energy from renewable sources and assets necessary for their connection to the grid, as detailed in the Renewable Energy Directive.²⁹ Subsequently, the CRU proposed that following a successful Phase 2 ORESS auction, the winning project could apply to EirGrid to receive an Indicative Connection Offer (ICO). The CRU suggested that this could be progressed in parallel with a MAC application. This approach would be consistent with the principles of the Directive, as it would allow the permitting activities to occur largely in parallel. However, the CRU considered that if the MAC application was unsuccessful, the project would lose the ICO and would go back to start of the grid application process. With regards to Maximum Export Capacity (MEC), the CRU proposed that Phase 2 would have a specific site with a defined location and a defined capacity size. As such, Phase 2 would have a defined MW capacity.

²⁸ The CRU understands from the Government direction and policy that there is no route currently available to grid for non ORESS offshore wind projects in Phase 2.

²⁹ [2018/2001/EU](#).

The majority of respondents supported the CRU's proposed decision. The respondents had concerns regards the timing and potential for material changes between the GFS, ICO and FCO stages. Several respondents highlighted that there should not be a situation where an FCO is used for a MAC application. Several respondents noted that Phase 2 auction winner could apply directly for an FCO, and that it could be issued by EirGrid but not executed until final development planning consent approval from ABP is awarded. The respondents highlighted that this approach would be consistent and similar to the approach used in Phase 1. A number of other respondents considered that the CRU should mitigate the risk of hoarding scarce grid capacity by an offshore project which cannot progress.

The CRU has carefully considered the responses regarding the risk of hoarding limited grid capacity. The CRU agrees that there is a risk that an offshore wind project could effectively hoard valuable grid (e.g., if the MAC application become invalid or the ORESS Letter of Offer rescinded, or final planning consent not achieved) that other projects may seek to use. The CRU considers that grid access in Phase 2 should not be held by any project that fails to progress in a timely manner or show sufficient intent to connect and energise. Rather, the available grid should be used efficiently and should support the Government's target of delivering increased offshore wind. As such, the CRU has decided that once a Phase 2 ORESS auction has taken place, the successful ORESS project³⁰ should contact EirGrid at OPMO@EirGrid.ie and submit its FCO application. As part of the FCO application, the ORESS successful project has to provide all necessary and required technical information to EirGrid in order to complete the "micro-siting", design review and optimisation processes. The MEC applied for at FCO application has to be equal to or lower³¹ than the upper range limit (MW) issued in the GCI pack. It should be noted that no further applications for additional MEC will be accepted in Phase 2.

The CRU has further decided that the successful project has to submit the FCO application within 3 months of receipt of the successful ORESS Notice of Award of Phase 2. To meet the overall timelines for the permit-granting procedure (including all relevant administrative permits), it is essential that a successful Phase 2 project's FCO application is submitted within this timeframe, beyond which there may be no guarantee the overall RED III permitting timelines could be met.

³⁰ Holding ORESS Notice of Award of Phase 2 ORESS.

³¹ With regards to the ability to reduce MEC refer to Phase 2 ORESS T&Cs.

The CRU has also decided that if a successful Phase 2 project has a MAC application declined or the granted MAC is subsequently terminated, then the eligibility to receive an FCO or to progress the FCO application will be terminated. Additionally, the eligibility to receive an FCO or progress the FCO application will be terminated if the ORESS Letter of Offer is rescinded. A notice period for the FCO application termination will be provided in writing by EirGrid to the offshore wind developer to advise of its intention. The CRU is of the view that this decision is consistent with existing offshore wind policy, and it should allow reliable and fair treatment between all Phase 1 and Phase 2 bidders. The intention of the FCO application dependency is to ensure that Phase 2 ORESS supported projects are not hoarding grid capacity without the ability to progress to construction in an appropriately timely fashion.

3.5 FCO Validity and Conditionality

CRU Decision

- Subject to the CRU's approval, EirGrid to issue an FCO **within 90 business days** from the FCO application.³²
- FCO validity period will be **3 months** after the project fully concludes the Final Planning Consent (FPC) process with An Bord Pleanála (ABP).
- During the period that a project is seeking the FPC, the grid will be held for the project at the capacity applied for in the FCO.
- Should the MAC become invalid, or ORESS Letter of Offer rescinded, or FPC not be achieved from ABP, the FCO becomes invalid.

Supporting Rationale for Decision

In its proposed decision ([CRU2023102](#)), the CRU proposed to maintain the Phase 1 approach to grid access in respect of the pre-requisites required to be eligible to request a Full Connection Offer (FCO) from EirGrid, i.e., the site consent process via the MAC and the final development planning consent approval from An Bord Pleanála (ABP). The CRU expected that the timeframes and requirements related to obtaining the FCO would remain consistent with

³² FCO can only be issued to the project that holds a valid MAC and has received an ORESS Letter of Offer of a Phase 2 ORESS auction.

Phase 1, as per previous CRU decisions. Additionally, the CRU proposed that Phase 2 ORESS projects would need to apply to EirGrid for their FCO no later than 3 months following receipt of all consents, otherwise the ICO will be forfeit.

The majority of respondents supported the CRU's proposed decision. The respondents clarified that the pre-requisites for the FCO is consistent with the approach used in Phase 1 and protects against a project hoarding valuable capacity when it cannot progress. Several responses recommended that the CRU should be consistent and should seek to replicate the longstops implemented in Phase 1. Some respondents recommended that the CRU should retain the following for Phase 2 ORESS:

- EirGrid should issue an FCO within a target of 90 business days from the FCO application by a successful Phase 2 ORESS project;
- The FCO should be valid for the later of either 6 months after issuance of the FCO or 3 months after receipt of the final planning consent; and
- If MAC is terminated, then a notice period for the FCO or Connection Agreement termination should be provided by EirGrid to the developer to advice of the intention. This notice period should be 90 days for FCO and Connection Agreement (CA) if prior to energisation, or two years for CA if after energisation.

The CRU considered the views and observations submitted regarding the proposal to maintain the Phase 1 approach to Phase 2 grid access. The CRU agrees that there is a risk that a Phase 2 offshore wind project could effectively hoard valuable grid (i.e., the MAC become invalid or Final Planning Consent not achieved) that other projects may seek to use. The CRU notes that grid capacity should not be held by any project that fails to progress in a timely manner or show sufficient intent to connect and energise. The available grid should be used efficiently, as it should support the Government's target of delivering increased offshore wind. The CRU agrees that the grid access process, including timeframes and stages, for Phase 2 ORESS projects, needs to be consistent with the existing offshore policy.

The CRU has decided that EirGrid will issue an FCO within 90 business days from the FCO application by a successful Phase 2 ORESS project. This is to facilitate the overall permit-granting procedure for all relevant administrative permits to be completed as required by RED III. During the period that a project is seeking the Final Planning Consent (FPC), the grid will be held for the project at capacity applied for in the FCO. The CRU has decided that the FCO validity period will be 3 months after the project fully concludes the planning consent process

with An Bord Pleanála (ABP).³³ The CRU has also decided that the termination of a project's MAC, or ORESS Letter of Offer rescinded, or in cases where FPC is not achieved, this will result in the termination of the FCO. A notice period for the FCO termination will be provided by EirGrid, in writing, to the offshore wind developer to advise of the intention. This notice period will be 90 working days. The intention of the FCO validity period is to ensure that Phase 2 ORESS projects are not hoarding grid capacity without the ability to progress to construction. This is in line with existing offshore wind policy.

3.6 FCO Execution

CRU Decision

- Subject to gaining all necessary consents (outlined below) the project is eligible to execute the “Connection Agreement and Offer Letter” (i.e., the FCO):
 - Received ORESS Letter of Offer³⁴;
 - Granted Maritime Area Consent (MAC); and
 - Granted Final Planning Consent (FPC) from ABP.
- The FCO can only be executed after the above requirements have been met.
- Should the MAC or FPC become invalid, or ORESS Letter of Offer rescinded, the Connection Agreement becomes invalid.

Supporting Rationale for Decision

In the proposed decision, the CRU suggested to maintain the Phase 1 approach to grid access in respect of the pre-requisites. The CRU noted that its intention was to keep the grid requirements the same between the different auctions of Phase 2 (i.e., Phase 2.1 and Phase 2.2). Additionally, in the proposed decision, the CRU considered that there may be a non ORESS route to grid for offshore wind projects in Phase 2.

With regards to a non ORESS route to grid for offshore wind projects in Phase 2, the CRU understands from the Government direction and national policy that there is no route

³³ Planning consent process for the purpose of this decision is defined as the decision from An Bord Pleanála on planning consent application including the outcome of any judicial review proceedings.

³⁴ The CRU understands from the Government direction and policy that there is no route available to grid for non ORESS offshore wind projects in Phase 2.

available to grid for non ORESS offshore wind projects in Phase 2. Grid connection pathways for alternative Routes to Market (e.g. merchant route, etc), which are currently undefined, are outside the scope of this decision. Further consultations and decisions may be required to define the connection policy relevant to alternative routes to market and future Phases. The CRU has carefully considered the responses regarding the pre-requisites for the FCO execution and non ORESS route to grid for offshore wind projects in Phase 2. The CRU has decided to maintain similar to the Phase 1 approach to grid access in respect of the pre-requisites required to be eligible to execute an FCO, i.e., received Phase 2 ORESS Letter of Offer, the site consent process via the MAC, and the final development planning consent approval from ABP. The CRU is of the view that this decision is consistent with existing offshore wind policy, and it will support and facilitate offshore projects participating in the Government's Phase 2 ORESS auction(s).

The CRU has also decided that the termination of a project's MAC, or ORESS Letter of Offer rescinded, or in cases where FPC is withdrawn, this will result in the termination of the FCO. A notice period for the FCO termination will be provided in writing by EirGrid to the developer to advise of the intention. This notice period will be 90 working days for the executed FCO if prior to energisation, or two years for the FCO if after energisation. The intention of the FCO validity period is to ensure that Phase 2 ORESS projects are not hoarding grid capacity without the ability to progress to construction. This is in line with existing offshore wind policy.

3.7 Firm Access Treatment

The CRU considers that, under a plan-led approach (e.g., Phase 2), the state should only auction capacity that offshore wind generators can physically export at the time of project energisation (i.e., capacity that is firm). This is because, in a plan-led model, the state plays a proactive role in selecting optimal sites for renewable energy generation, where electricity demand and supply are well-matched, rather than relying on a developer led process (e.g., Phase 1). Given this approach, and the need to provide Phase 2 offshore developers with certainty regarding the firm access status of their projects ahead the Phase 2 auctions, the CRU has decided on the following firm access treatment for Phase 2 projects:

- All capacity auctioned in Phase 2 will be incorporated into EirGrid's Firm Access Allocation Runs at the point of which the auction terms and conditions are published.

- Once a Firm Access Quantity (FAQ) has been allocated for Phase 2, this will not be subsequently awarded to other parties subject to the final point below.
- Developers successful in Phase 2 ORESS auctions will be provided with the Firm Access Date and Quantity in the Full Connection Offer (FCO) issued by EirGrid.
- If the FCO is executed but is subsequently terminated due to contractual longstop dates being exceeded (or any other appropriate reason), the FAQ will no longer be allocated to that party. For clarity, if a project loses its Marine Area Consent (MAC) or Final Planning Consent (FPC) then the FAQ allocation also falls away.

As part of this decision, the CRU requires that EirGrid include the proposed capacity for the States Phase 2 auction in its next Firm Access Allocation Run upon the publication of the auction T&Cs, i.e., Tonn Nua ORESS auction.

4. Next Steps

The upcoming work to implement this decision is as follows:

- EirGrid to implement decisions outlined in this decision paper.
- EirGrid to include the proposed capacity from the Tonn Nua auction in its next Firm Access Allocation Run.
- EirGrid to publish the GCI pack to the potential Phase 2 ORESS projects.

The CRU will continue to engage with the DECC, EirGrid, ESB Networks, MARA, and other relevant stakeholders as it progresses its development of the offshore regulatory framework for Phase 2 and future phases.