



Background Note July 2011

Over recent years, the electricity sector has entered a period of considerable change. This change has been characterised by a drive towards increased environmental sustainability, energy security and economic competitiveness, and is being delivered primarily through a commitment to increase the level of renewable generation on the power system. EirGrid and SONI are working proactively with all stakeholders to ensure that the renewable electricity targets set in Ireland, Northern Ireland and by the European Union can be achieved in a manner that ensures the continued secure operation of the power system for all end-users.

As part of this, EirGrid and SONI have carried out substantial studies and analysis over the past number of years, including the Facilitation of Renewables studies completed last year. Following the publication of these studies, the TSOs acknowledged that further analysis needed to be carried out on the future needs of the power system relative to the expected capabilities of the portfolio of plant. In addition, the TSOs received a request from the SEM Committee in November 2010 to identify the next steps in terms of the Facilitation of Renewables.

To that end, over the past months, EirGrid and SONI have carried out comprehensive analysis on the future needs of the power system, the results of which are contained in this report, which is published today. Furthermore, a three-year programme of work entitled the "Programme for a Secure Sustainable Power System" has been established and details are included in the report. This programme outlines the key actions that need to be undertaken over the coming years to facilitate the integration of higher levels of renewables into the power system. This report has already been presented to the Regulatory Authorities and circulated to the SEM Committee.

Project teams from the TSOs and the RAs have now been established and these teams will work together to ensure a co-ordinated approach to the implementation of the programme. The TSOs and the RAs will develop a more detailed programme plan for this large volume of work, complete with clear deliverables, milestones and a regular reporting process. It is planned to develop this detailed programme plan by October 2011.

Active industry involvement is central to delivering on the objectives of this programme. Therefore, EirGrid and SONI intend to establish an Advisory Council to ensure that the views of industry are represented. The purpose of the Advisory Council is to provide a forum to discuss stakeholder views and concerns on those issues which may impact on the implementation of the Programme. Expressions of interest for membership of the Advisory Council will be sought from representatives across industry and academia, including both the renewable and non-renewable generation sectors. A document has been published on the website regarding this Advisory Council, its structure and purpose. Following a review of the expressions of interest, the membership of the Advisory Council will be determined, ensuring the appropriate breadth of experience and perspectives are captured. The first Advisory Council meeting will take place in October 2011 and the TSOs will provide programme updates at each of the Advisory Council meetings.