

ELECTRICITY GENERATION OUTLOOK
FOR ISLAND OF IRELAND PUBLISHED

Dublin & Belfast, 7 February, 2014 – Sufficient electricity generation capacity will be in place on the island of Ireland over the next ten years – this is forecast in a document published today by the grid operators in Ireland and Northern Ireland.

However, transmission network limitations continue to create a bottleneck in allowing that generation to be effectively transferred to and used in Northern Ireland according to the *All-Island Generation Capacity Statement 2014-2023* report, published by EirGrid and System Operator for Northern Ireland (SONI).

The Generation Capacity Statement is published annually and reports on the forecast balance of supply and demand for electricity in terms of power generation over the next ten years.

While adequacy studies confirm that there is sufficient generation for Ireland over the next decade, this surplus cannot be effectively transferred using current transmission networks to Northern Ireland in order to meet the tightening gap between supply and demand in Northern Ireland in the second half of this decade.

This means that under certain scenarios studied there is the potential for an inadequate generation margin in Northern Ireland.

The commissioning of a second high voltage interconnector between the two jurisdictions is a project being developed by EirGrid and NIE. This will allow generation resources to be shared across the island, enhancing security of supply across the whole island, as well as delivering a more competitive wholesale market across the island.

The North-South transmission line is a critical and strategically urgent transmission reinforcement and is of vital importance in the context of interconnection between the two jurisdictions. This will facilitate the two independent networks operating together for the mutual benefit of residents and businesses in both jurisdictions. The NIE planning application is with the relevant authorities and in Ireland a planning application is currently being prepared by EirGrid.

More...

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In addition to the development of the North-South transmission line, SONI has been requested by the Utility Regulator to explore such arrangements as may be appropriate in order to alleviate the risk identified to security of supply in Northern Ireland prior to the commissioning of the North South transmission line or other interconnection capacity. SONI is actively working with the Utility Regulator in this regard and expects to be seeking proposals and expressions of interest from parties who believe they are in a position to provide the necessary services in the very near future.

EAST WEST INTERCONNECTOR DELIVERING COST SAVINGS

The East-West Interconnector between Ireland and Wales has been in full commercial operation since May 2013. The trading opportunities afforded by this high capacity undersea link led to an approximate 8% drop in wholesale electricity prices during the first months of operation.

The Generation Capacity Statement launched today has been prepared by EirGrid Group, which comprises the operator of the electricity transmission grid in Ireland, as well as the System Operator for Northern Ireland, and the Single Electricity Market Operator. It informs the consideration of potential investors in generation, and of policymakers, regulators and other stakeholders and customers.

It is available at www.eirgrid.com or www.soni.ltd.uk at the latest news links.

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For further information, please call EirGrid Group Communications, at 01 677 1700 in Ireland or 048 907 07438 in Northern Ireland.