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Phase Two Consultation International and Offshore Energy Division Department of Environment, Climate and Communications 29-31 Adelaide Rd Dublin D02 X285 phase2@decc.gov.ie

To Sir/Madam,

# **Consultation on Offshore Wind Phase Two**

## 1 INTRODUCTION

Codling Wind Park (CWP) is a proposed offshore wind farm in the Irish Sea, set in an area called the Codling Bank, approximately 13-22 kilometres off the County Wicklow coast, between Greystones and Wicklow Town.

CWP is a 50:50 joint venture between EDF Renewables and Fred. Olsen Seawind, two leading developers, owners and operators of renewable energy assets, with many years of global experience in the renewable energy and offshore wind sector.

CWP has been designated as one of the Phase 1 projects and with an expected capacity of between 900 and 1,500 megawatts (MW), it has the potential to meet up to 30% of the targeted 5GW of offshore wind by 2030. The expected output of the wind park would be enough to supply the equivalent of up to 1.2 million Irish homes – 70% of all Irish households – with low-carbon, locally-produced, low-cost electricity, and to save almost 2 million tonnes of carbon emissions every year.

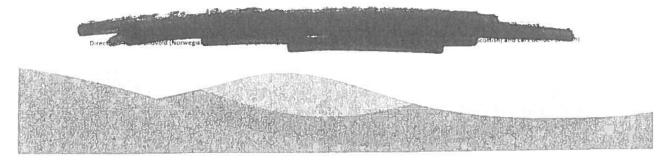
Representing one of the largest energy infrastructure investments in Ireland this decade, the project will deliver substantial benefits to the regional and national economy, including more than 1,000 construction jobs and around 75 long-term, locally based jobs.

## 2 OVERVIEW OF CODLING POSITIONS

CWP has provided detailed responses to each of the questions in the Department of Environment, Climate and Communications (DECC) Consultation as an annex to this letter. CWP's key positions are summarised as follows:

## Point 1

CWP agrees with DECC that the focus of Phase Two and ORESS 2 should be on offshore wind projects which have a feasible and credible route to meeting the 2030 5GW target should be allowed to qualify as a Phase Two project.



#### Point 2

CWP believes that offshore projects can be categories as follows:

- Phase One projects as currently understood
- Phase Two projects additional offshore wind projects which can feasibly support the 2030 5GW target, including projects which may connect to the Irish electricity network and the network of another jurisdiction
- Projects connecting to solely other jurisdictions these will connect to electricity network of another
  jurisdiction, so while needing a MAC would not be connected to the Irish grid network and not participate in
  the ORESS auction
- Private Wire projects these will connect directly and solely to demand on the Irish mainland, while
  needing a MAC would not be connected to the Irish grid network and not participate in the ORESS auction

From these CWP believes that only those described above as Phase One and Phase Two should be able to enter the ORESS 2 auction, as they would directly supply renewable electricity the Irish Grid, and therefore the consumer who pays for this through the PSO Levy.

#### Point 3

CWP believes that DECC needs

- To run the ORESS 2 auction by end 2025 to meet EU DG Comp requirement and ensure delivery of projects in a timely manner
- The outcome of ORESS 2 to provide the balance of generation necessary to take the total of ORESS 1 and ORESS 2 to at least 5GW
  - This means sufficient projects will need to be ready to enter ORESS 2
  - This means Phase Two projects will need to be able to deliver by 2030
- Confidence that projects qualifying have financial credibility to be complete by 2030 the proposed longstop date
- Confidence that projects qualifying have development capability to be complete by 2030 proposed longstop date

#### Point 4

CWP believes that what developers will need is confidence in the process to ensure that there is early clarity in outcomes, to prevent development resources being expended unnecessarily. This includes confidence that potential connection capacity will be realised on time.

#### Point 5

In order to support the 2030 timelines, CWP believes that Phase Two and ORESS 2 processes will need to be advanced quickly. For projects which have not yet started development work, it can be expected that the full project from start to commissioning will take no less than 8 years to complete.

#### Point 6

CWP is concerned that the Phase Two consultation is very wide ranging. CWP believes that rather than giving confidence to developers and investors it could have the opposite effect. CWP believes that while it is important to encourage development of new technology and it is important that this is done in a realistic manner. CWP also believes that the consultation therefore gives a very optimistic view about the amount of grid capacity that will be available by ORESS 2. For that reason, CWP believes that as part of DECC's conclusion to the consultation it needs to make clear the differences between the types of projects which may have the opportunity to secure MACs, gain connection agreements and those which may also subsequently be able to compete in the ORESS 2 auction. For example, projects which do not intend to connect to the electricity network, should not compete in the ORESS 2 auction. Related to this, there should be a limit to the potential capacity of projects which are awarded MACs and that this capacity should reflect the realistic potential for grid connection while also ensuring competition in the auction.

#### Point 7

CWP understands that there are calls to increase the 5GW target for 2030. CWP believes that this is not a realistic proposal at this time as there is no clear means to increase the grid capacity to enable this. CWP believes that Irish Government and EirGrid must start to prepare route maps beyond 2030 to 2035 and 2040 in order to avoid a hiatus in the offshore wind industry.

#### Point 8

On the proposals about hybrid connections, CWP has a number of concerns which are explained in the full response section, however CWP would like to highlight that care must be taken in regard to what is permitted in terms of State Aid.

The Guidelines on State aid for climate, environmental protection and energy (CEEAG) have been recently updated. One provision is relevant here.

"The Commission will therefore also verify that the aid measure does not stimulate or prolong the consumption of fossil-based fuels and energy".

It is not reasonable to say that the connection of a subsidised generator onto an existing fossil fuel site does not maintain in any way the continued operation of the existing fossil fuel generator.

While this concern does not necessarily invalidate the granted State Aid for RESS, it appears contrary to the spirit of the European decarbonisation agenda to include such "clarifications" into RESS which would unlikely pass muster with a fresh State Aid approval process.

As well as providing this detailed response to this DECC consultation, CWP also supports the response submitted by Wind Energy Ireland ("WEI") on behalf of its members.

In conclusion, we would like to thank DECC for the opportunity to engage on this matter. As we have said, this is a complex matter to resolve, and CWP believes that the responses that DECC will receive to the consultation will result in much further engagement with stakeholders. CWP looks forward to that engagement and the opportunity to work towards a successful Phase Two and ORESS 2.

Should you wish to discuss this further please contact myself...

Yours faithfully

**Project Director** 

# 3 CODLING WIND PARK RESPONSE TO CONSULTATION QUESTIONS

- 1. Which is your preferred option and why of:
  - a. The above options?
    - CWP prefers Option A or B, however, there should be pre-qualification
  - b. The above options, variations of same, and other possible options within the parameters outlined in this paper, particularly sections 3 and 4?

CWP's preference would be either option A or B. These seem to be similar, however with the main difference being that Option A seems to be on a first come first served basis (which suggests the optimal projects for certain sites may not be selected) while option B includes some competition in assessing which would be the best projects for the sites. CWP recognises the concern that at least in the first step MARA may be overwhelmed with applications, so CWP recommends that a pre-qualification stage is run to limit the applicants to those that have a realistic prospect of meeting the 2030 goals.

CWP believes that options C and D could be very complex to manage. These will be costly to the developer sector and could result in an excessive amount of resource to be needed by the government and its agencies to process.

- 2. Option A proposes that a deployment security is required for to apply for a MAC in Phase 2.
  - a. How should the security be calculated and what rate should apply? If the security was to be calculated on the basis of planned capacity, what rate should apply?
    - Before considering the how the security should be calculated and what rate should apply, whether a security is required at all, should be considered.
    - CWP's view is that a deployment security is not required.
  - The premise of the security is that it will help to discourage developers that do not have a project which can credibly achieve operation by 2030 from taking up MACs or engaging in the ORESS 2 process. DECC and MARA should undertake pre-qualification processes which will ensure that only credible projects can proceed. Such prequalification processes should be run regardless of the final design of the MAC application process and ORESS 2 auction. This will help to reduce workload on the departments and prevent the waste of development resources.

On being awarded a MAC, it is anticipated that developers will have to pay a development levy to secure the site. Additionally, the developer will be expected to post a Bid Bond to enter the ORESS 2 auction, and if successful in the auction a Performance Security. The feasibility of all projects, in addition to having made sufficient development progress, will require a route to market. Should a project not have a reasonable route to market following the ORESS 2 auction, it is likely that such a project would stop given the timeframe left till the proposed withdrawal of MACs ahead of the Enduring Regime.

As currently proposed the withdrawal of MACs prior to the start of the Enduring Regime will act as a major disincentive for developers who are not confident of delivering projects by 2030.

b. Should the security be required to be in place prior to application for a MAC or post-issuing of a MAC? If post-issuing, what is a reasonable timeframe?

CWP is not answering this question.

c. Under what terms should this security be drawn down?

CWP is not answering this question

d. The security, as proposed, expires with the securing by a project of a route to market. For projects successful at ORESS 2, this is also the stage when the auction performance security is due to be put in place. Would it beneficial for the deployment security to be rolled over towards the RESS performance security? How best this be managed?

CWP is not answering this question

e. What other terms should apply to this security?

CWP is not answering this question

- 3. Option B proposes a competitive MAC process
  - a. What assessment criteria should be used in this process? What should the weighting of this criteria be?

CWP believes that there should be competition for the MAC, however this competition should not be in the form of a seabed levy auction.

As a first step, there should be a pre-qualification to ensure that only projects which meet some pass/fail criteria are allowed to move to the main MAC competition. The outcome of the MAC competition must be that the best projects are selected. This should consider at least the following

- · Alignment with SOEF
- · Ability to meet MAC criteria for financial assessment
- · The extent of work carried out already
- Ability to present a credible schedule to meet the timescales of ORESS 2
- · Developer credibility
- · Level of project development
- · Evidence of being able to achieve the auction goals
- Evidence of potential for connection
- Evidence of advanced onshore site acquisition
- b. Should a seabed levy auction be included in this assessment? What weighting should the auction result have?

CWP believes that there should not be a seabed levy auction as part of the competitive process to assign the MACs. In and of itself an auction will not actually prove which are the best projects, most likely to be realised in the timeframe available until the Enduring Regime commences. Given the tight timeframes, it is more important to find projects which can perform within the timeframe of ORESS 2. This will be reflected in how advanced the projects are and the experience of the developer.

c. Should a deployment bond be maintained under this option? Why, or why not?

CWP believes that there should not be a Deployment Security, as explained in the answer to question 1.

- 4. All of the above options assume that Phase One projects retain their MACs for Phase Two.
  - a. Is this the correct approach? Why?

Yes, CWP believes that Phase One projects, which are not successful in ORESS 1 should maintain their MACs for ORESS 2. The development process of the Phase One projects is the most advanced of any Irish offshore wind projects. That work has been ongoing through the former Foreshore Lease process. To have any chance of meeting the 2030 CAP targets the Government needs to ensure that the Phase One projects are given every opportunity to develop their projects. The length of development stage of offshore projects, even with the implementation of the MAP bill and other policy, is still 5 – 7 years which is why the Phase One projects are so important in meeting the 2030 CAP targets. Following the issue of MACs to the Phase One projects in the second half of 2022, the Phase One developers will very soon submit the projects' planning applications to An Bord Pleanála (ABP). It is conceivable that consent process for the Phase One will not be concluded before the

start of the Phase Two ORESS 2 process, so to withdraw any MACs assigned to Phase One projects will put the planning process in jeopardy. As proposed, it is expected that at least one of the Phase One projects in ORESS 1 will not be awarded a Letter of Offer (LoO) in order to introduce a competitive element to the ORESS 1 auction, however prior to the outcome of the auction being published, all developers are expected to have submitted their projects for planning consent.

b. Would requiring Phase One projects that are unsuccessful in securing a route to market, within a specified timeframe, to re-apply for MACs result in a better outcome for the sector, the State and consumers? Why?

No, CWP does not believe that requiring Phase One projects that are unsuccessful in securing a route to market, within a specified timeframe, to re-apply for MACs result in a better outcome for the sector, the State and consumers. Such an approach would potentially stall any work on these sites, while no other developer can realistically be awarded these MACs and get to as advanced stage as the original developer. It will slow the process of gaining planning consent, either because the incumbent project has to stop and restart or because a new developer will be starting from a much earlier part of the process. It will also put at risk or at least make more difficult, achievement of the Irish Government target to reach the 5GW target.

c. If Option D was selected would this require unsuccessful Phase One projects to relinquish their MAC before ORESS 2? If so, should these projects be given any preference such as a right of first refusal if they match a winning bidder's terms for their MAC area?

No. If the Phase One project wishes to continue to ORESS 2 then it should be able to maintain both its MAC and GCA. As explained above, relinquishing the MAC and/or the GCA could stall the development of the project. Specifically, if the MAC was relinquished, it would null the planning application process.

- 5. To incentivise swift deployment, discourage speculative hoarding of the marine space, discourage MAC applications by projects incapable of delivering by 2030, and facilitate the coherent transition to a plan-led Enduring Regime, it is proposed that all MACs awarded in Phase One and Phase Two will expire prior to the Enduring Regime, should the holders of these consents be unsuccessful in securing a route to market.
  - a. Is this the correct approach? Why?

At this time there is probably insufficient detail and understanding of the Enduring Regine to give a concise response to this question. The Irish Government has indicated some principles which will apply, however, until such time as these are enacted how the Enduring Regime may impact or enable the existing projects is not clear.

As an initial view, CWP believes that developers should be given some scope to determine how long they maintain an interest in a MAC. This would be at the developers' risk as there is no guarantee that the sites they have selected and for which they hold a MAC can be successfully used to develop an offshore wind farm. However, on the other hand, given that how the Enduring Regime will develop, there is no reason to assume that the projects either could not be developed successfully, nor that the Enduring Regime will exclude such projects.

The following factors should be considered.

#### Timescale

It is likely that the establishment of the Enduring Regime will take some time. It will mostly likely not
be in place until after 2030 and it will possibly be well into the next decade before such things as
the MPAs and offshore grid network can be established. Indeed, the offshore grid network may
have to wait until the MPAs

## Establishment of MPAs

The underlying commentary around the withdrawal of the MACs until after the Enduring Regime is
established is the suggestion that existing MAC sites may be incompatible with the MPAs. This is
not necessarily the case. It could be that the existing MAC sites are out with these future MPA
sites, and indeed, it is feasible that offshore wind farms can co-exist within MPA sites.

Establishment of offshore grid network

 As mentioned above the development of the offshore grid network will probably have to wait for the clarity around the location of the MPAs.

With such uncertainty, it is likely that the proposal to withdraw MACs will create a hiatus in Irish offshore wind development, and in turn lead to a slow restart to the sector following the establishment of the Enduring Regime. Rather than withdrawing MACs, Irish Government should consider the potential of running a further ORESS auction after ORESS 2, in the intervening years to the Enduring Regime.

b. Would this approach incentivise deployment and/or discourage hoarding of the maritime space?

CWP believes such an approach is more likely to limit the number of projects entering the process rather than speed up deployment of projects. The issue is much more the limited connection availability rather than the ability of developers to realise projects in a timely.

c. Would this approach discourage MAC applications in Phase Two from projects with poor pre-2030 deliverability?

Yes, CWP believes this approach would discourage MAC applications in Phase Two from projects with poor pre-2030

- 6. What are your views on providing provisional grid offers to projects in the case where all projects receiving such an offer will not be able to obtain a full grid offer?
  - a. How can and should the award of full grid offers be tied to the auction results?

It is important that provisional grid offers are provided to projects. This is a method which is established through the GCA process for ORESS 1. Developers will need to have some ability to understand the potential connection arrangements for their project in order to make a reasonable bid in the ORESS 2 auction. Clearly there could be difficulties if more than one project has a specific connection offer and each secures a successful bid. There will need to be some means to assess which project gets the connection. Should it be the project with the more competitive bid, or the one which best utilises the connection? This is not necessarily straight forward.

b. Should allowance be made for projects that do not effectively compete in the auction but share a preliminary connection offer with projects that do to remain eligible for a CPPA route to market?

If a project is clearly advanced in establishing a CPPA route to market, then there may be a case for this, however CWP is of the view that the CPPA market is not sufficiently mature in Ireland to enable this. It is unlikely that offshore wind projects will be able to price their output at a low enough level to attract CPPAs. There are CPPAs running in Ireland for some onshore wind projects, however these are for significantly smaller electricity demand than an offshore project is likely to be able to offer. CWP's conclusion is that it is unlikely that a project of the capacity of an offshore wind farm will find an offtake for all its capacity at a price that can support the project.

- 7. What are your views on auctioning capacity at particular grid nodes or regions in ORESS 2?
  - a. How should this operate? Should successful projects be required to submit ORESS 2 offers that clear both the overall auction and the auction for a given grid node or region?
  - b. Should any nodes or regions be reserved for non-ORESS routes to market?

CWP believes it would not be the correct approach to auction the grid capacity.

The grid is already and rightly regulated and cost managed through a regime of codes. Connection is not cheap, and that should not be lost in this discussion. Introducing allocation by auction has the potential to distort how the grid is managed and therefore how different projects are treated. It will also add costs to projects which are likely to impact bidding in the auction.

- 8. In order to utilise grid capacity realisable by 2030 in totality, most options require the award of greater capacity in ORESS 2 than is realisable by 2030, and establishing reserve projects on grid orders of merit, possibly grid region.
  - a. What are your views on grid orders of merit? How best could reserve lists be established in a robust manner that does not give rise to legitimate expectations by reserve projects?
  - b. How should grid orders of merit be established? Is using ORESS 2 bidding order, possibly by grid node/region, an appropriate methodology?
  - c. What obligations should be placed on reserve projects and what, if any, compensation should be provided?
  - d. How should reserve projects be serviced so that they can readily progress if required?
  - e. How should reserve projects be held to the terms of their ORESS 2 offer?

CWP believes that the whole process of Phase Two and ORESS 2 must be run in a way that manages the expectation of developers, that encourages only projects that are feasible and that limits the amount of potential development expenditure which could be lost through allowing a disproportionately large number of projects through to the auction stages. In reality, after the ORESS 1 auction, there will be very limited grid capacity available both in terms of total quantity as well as the discrete amounts available at distinct points on the network. MACs for Phase Two projects should therefore be limited to reflect the real potential for projects to be successful.

A merit order project will need some incentive to continue developing after the ORESS 2 auction. However, if there is no attrition that can let that project proceed, then it could be wasted as

- There may be no additional grid capacity for the project to gain access to
- The enduring regime may result in loss of the MAC such that development expenditure will be lost.

It seems unreasonable to expect that developers would continue under such circumstances.

- Option D outlines an auction with mutually exclusive offers and multiple bidders specifying the same MAC area and/or connection point allowing multiple bidders to specify the same MAC area and/or grid node/region and using ORESS 2 results to allocate the MAC area and/or grid node/region capacity.
  - a. What are your views on the feasibility of this option? What are your views on the feasibility of solving the auction using an optimisation approach?

CWP believes that the Option D runs a high risk of enabling and encouraging speculative bidding and is likely to result in projects which are either financially unviable, or which cannot support achievement of the 5GW by 2030 target. Additionally, it is like to result in wasted spend by developers. It is likely to be complex for DECC and MARA to determine the winners associated with this. This proposal is likely to result in a higher attrition rate among the projects. CWP therefore believes that Option D should not be pursued.

10. Hybrid grid connections are defined in this paper as single grid connections which facilitate the connection of both an existing or proposed thermal generation plant and a proposed offshore wind project.

CWP has a number of concerns about how the idea of hybrid connections is presented.

The fundamental issue with Hybrid connections is that it cannot work under the current Government Grid Frameworks. It was decided that connection points for offshore windfarms would be at the offshore substation and EirGrid own all the offshore transmission infrastructure. A hybrid connection is essentially two types of generation behind one connection point. The proposal appears to be to use the existing onshore connection point for conventional generation for the connection of offshore windfarm. This could not happen under the current Government framework as a hybrid connection at the windfarm would have an offshore connection point and the existing connection point is onshore.

The second main grid policy point is that current CRU policy is that generation capacity cannot be relocated from its existing location more than 100m from its boundary. Using existing conventional generation capacity for offshore projects, 10s of kms from the existing generator, would break this established CRU policy.

To facilitate hybrid offshore connections would require the current Government offshore grid framework to be changed and CRU connection policy to be changed. It would appear discriminatory and set a challengeable precedence for these critical connection policies to be changed for only a subset of generation.

# Four Thematic Areas of Regulatory Uncertainty

It is highly unlikely that all these issues will be resolved prior to participation in the ORESS auction.

#### Long-Standing Hybrid Issues

Consideration of Hybrid Sites commenced under FlexTech in 2016/2017. Progress for simpler scenarios has been slow to date.

- Discussed under Climate Action Plan Action 125, we will not know whether even from a policy perspective sharing of connection capacity between two generators is considered desirable (position to be set out by CRU). This impacts the timeframes for decisions regarding the treatment of MAC under this process.
- Can a concurrently operational conventional generator avail of the capacity remuneration mechanism?
- To what extent the performance of either asset (Windfarm or Conventional Generator) should be penalised under DS3 system services (and its replacement, due in 2025) for non-performance arising from limitations of the shared MEC;
- The requirement of how to manage any separate legal entities on the same connection, which has been under consultation since 2020.

# Renewable / Conventional Generation Sharing of MEC

Most consideration of hybrid sites to date have been fully non-synchronous sites (wind, solar, battery) with material installed capacity in excess of the MEC. Hybridisation with conventional capacity adds more to be considered.

- How the generator will be dispatched and scheduled under central dispatch these issues are likely to be
  an order of magnitude more complex than considering the sharing of MEC between two non-synchronous
  priority dispatch generators.
- Grid Code clarifications / new requirements for the combined capabilities of the two generators operating within the MEC;

#### Different Connection Points to the Grid, Separated by EirGrid Assets

The proposals in the consultation bring yet another level of complexity, arising from the fact that a single connection agreement has two connection points separated at a minimum by EirGrid assets offshore.

- How will the firm access of the connection agreement be managed across a (presumably) non-firm windfarm and the existing firm generator.
- How will transmission use of system charging be determined for the export capacity of the site, noting that it
  has materially different impact on the network under the Reverse-MW-Mile methodology.

#### State Aid Considerations

The Guidelines on State aid for climate, environmental protection and energy (CEEAG) have been recently updated. One provision is relevant here.

"The Commission will therefore also verify that the aid measure does not stimulate or prolong the consumption of fossil-based fuels and energy".

It is not reasonable to say that the connection of a subsidised generator onto an existing fossil fuel site does not maintain in any way the continued operation of the existing fossil fuel generator.

While this concern does not necessarily invalidate the granted State Aid for RESS, it appears contrary to the spirit of the European decarbonisation agenda to include such "clarifications" into RESS which would unlikely pass muster with a fresh State Aid approval process.

a. Do you support the facilitation of such connections, as defined? Why?

CWP is concerned about the process to establish these connections. CWP would like to understand if such connections will represent real additionality over the existing 5GW which may be feasible. The Eirgrid SOEF suggests that the available capacity at the potential hybrid locations has already been included in the 5GW, as the fossil plants are expected to close in the period to 2030, in which case they will not offer additionality. CWP is concerned that as a result the hybrid connections may draw connection capacity away from areas highlighted in the SOEF.

b. Are you aware of any other jurisdictions where such connections are permitted? Describe how hybrid connections are treated from a technical and regulatory perspective in these jurisdictions.

CWP is not aware of any other jurisdictions where hybrid connections as suggested are permitted. There are examples of co-location in the UK, but not of hybrid arrangements as suggested in the consultation. Elsewhere it is usually expected that the connection capacity is equal to the total generation capacity behind the meter, such that both generators could generate simultaneously, rather than shared.

c. Are there potentially unintended consequences associated with permitting hybrid grid connections, such as potential impact on grid system services provided by the associated thermal plant or potential impacts on the reliability of the thermal plant?

CWP believes that there are a number of issues with hybrid connections that would need to be resolved before proceeding.

- There will need to be clear demarcation between the electricity generated by the ORESS supported project and existing project to ensure that only renewable electricity receives support
- In the instance of an offshore windfarm as proposed, the connection between the offshore generator and the onshore connection point will be owned and operated by the Offshore TAO. In the hybrid solution, this would then reconnect to the generator's behind the meter infrastructure before then being connected to the electricity network. This is not currently catered for in the grid regulations. CWP believes that this would be an unacceptably complex change to the grid regulations.
- There is an interesting point around whether the renewable plant is enabling the extension of the life of the fossil plant. EU Renewable Energy policy strictly forbids this. It could be argued (and will be by some) that this is always the case when a renewable generator displaces a fossil plant, such that the fossil plant become backup/peaking/system support etc. The difference in the scenario being proposed is that where a renewable generator is displacing the fossil generator and they are at distinct sites, the fossil generator is faced with managing the costs of the connection uniquely with the fossil plant, whereas with a hybrid operation, if the connection costs are assigned to the renewable generator, the fossil generator is getting a free ride, therefore there is more leverage in the fossil plant enabling in the hybrid scenario.
- If a connection is shared, then it would be expected that the TUoS will be shared. This could create a
  distortion in an auction as a bidding project would not have the same level of costs to consider in
  formulating the bid.
- d. How should proposed projects with hybrid connections be treated so as not to distort competition or afford undue competitive advantage to the incumbent owners and operators of the associated thermal generators?

As with other opportunities to connect there should be competition for the available connection capacity. There should not be an expectation that the incumbent generator has the right to change the use of the connection.

e. Do you support the facilitation of such connections, if the definition was adjusted to, e.g. an existing or proposed onshore battery, solar or other generator?

By raising the point of onshore battery and solar hybrid solutions, this question suggests that the premise of hybrid connections should be considered outside the Phase 2 and ORESS 2 process.

- 11. Should any special allowances for innovation technologies be included in the Phase Two process?
  - a. What technologies should be provided with special allowances and why?

The Draft ORESS 1 T&C makes clear that the ORESS 1, 2, and 3 auctions have been developed for offshore wind (Draft ORESS 1 T&C Page 7, section 1.11) This would suggest that only fixed and floating wind projects can be supported by ORESS 2.

b. What allowances should be made? At what stage(s) of the Phase Two process? Should capacity be reserved in the MAC and ORESS processes for any of these technologies?

The Draft ORESS 1 T&C makes clear that the ORESS 1, 2, and 3 auctions have been developed for offshore wind (Draft ORESS 1 T&C Page 7, section 1.11) This would suggest that only fixed and floating wind projects can be supported by ORESS 2. Therefore other projects should not be able to get reserved capacity in ORESS. Regarding MAC, if such projects are not competing for MAC sites with projects which can meet the 2030 generation requirements within the parameters of the SOEF, they could be offered MACs.

c. Should these types of projects also be required to deliver by 2030?

CWP not answering this question

d. What level of offshore wind capacity could be deployed before and after 2030 that does not depend on the Irish grid for offtake? i.e. generation that is instead utilised for non-grid offtakes such as green fuel generation or export by cable to another jurisdiction?

This is possibly difficult for an individual stakeholder to comment on, and it would probably be best for Wind Energy Ireland to pull together data from across the industry. CWP would comment that prior to 2030, it is unlikely that there will be any such offshore wind capacity, however post 2030 it could possibly be measured in GW or perhaps 10s of GW.