# **ESB** NETWORKS

### NATIONAL NETWORK LOCAL CONNECTIONS PROGRAMME

**Power System Requirements Strategy** 

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## **OVERARCHING · VISION · NORTH STAR**

| Our Vision   | Ireland's climate action and net zero targets are met   Internet on Court mission is to drive climate action by building the DSO's capability to cultivate customer participation and flexible, whole-of-energy-system solutions   er 'Flexible system demand' is demand with the ability to respond to changing states of generation, demand, storage and network conditions. It is characterised by direct system operator actions, coupled with individual/collective customer behaviour |   |   |   |  |  |
|--|---|---|---|---|--|--|
| Our Mission  |   |   |   |   |  |  |
| Our Enabler  |   |   |   |   |  |  |
|  | Power System<br>Requirements  | Flexibility Market<br>Design  | Retail Market Design  | Customer  | Smart Metering   | Behind-the-Meter<br>Infrastructure   |
| How will we<br>enable our<br>purpose, vision<br>and mission? | A deep understanding and<br>foresight of the impacts,<br>characteristics and evolving<br>needs, of a highly<br>distributed, low-carbon<br>electricity system. The<br>technical expertise to<br>develop innovative solutions<br>to support growing customer<br>demand and increasingly<br>distributed generation, and<br>storage   | Local and national markets<br>for flexible demand, run by<br>the DSO as a neutral market<br>facilitator, offering a mix of<br>long-term, day-ahead and<br>intraday arrangements that<br>afford all customers with<br>opportunities to participate | Setting the future direction<br>for the smart meter-enabled<br>retail market, with suppliers<br>equipped and incentivised to<br>harness available data to<br>create dynamic, personalised<br>tariffs for their customers.<br>We will work closely with<br>suppliers and the CRU to<br>optimise retail market<br>design, enabling synergies<br>and efficiencies in operating<br>flexibility and retail markets | Creating the conditions for<br>customers to participate in<br>immersive, personalised<br>experiences of flexible<br>demand. Helping to drive<br>education and the national<br>conversation, about how we<br>can all take control of our<br>energy demand, and share in<br>the benefits. Migrating<br>products and services to<br>third parties when<br>appropriate to do so | Setting the future direction<br>for smart meters, including<br>use cases – such as<br>harnessing smart meter data<br>to (i) identify faults, and (ii)<br>baseline, measure and<br>validate flexibility services<br>delivered by customers – the<br>implementation of the next<br>generation meter, and the<br>development of an enduring<br>solution for microgeneration | Behind-the-meter<br>infrastructure, including clear<br>technology requirements<br>and standards for data<br>exchange and<br>communication protocols, to<br>ensure customers' homes,<br>vehicles, solar panels and<br>batteries are flexibility ready |
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| Core<br>Foundations  | Regulatory: Mandates, authority, policy, alignment, codes, licences   |   |   |   |  |  |
|  | Legislative and Policy: Climate Action Plan   |   |   |   |  |  |
|  | Stakeholder: Voice of the stakeholder and citizen   |   |   |   |  |  |

### **POWER · SYSTEM · REQUIREMENTS · OVERVIEW**

#### OBJECTIVE

The Electricity Market Directive (EU) 2019/944 defines the role of the DSO in relation to the introduction of flexibility services, including:

 The development of flexible products and services necessary for the efficient, reliable and secure operation of the distribution system. [EU2019/944, Article 31].

Power system analysis gives us a deep understanding of the distribution system, its location-specific characteristics and its constraints. This, in turn, will facilitate the identification of the right opportunities to deploy alternative, cost-effective flexible solutions, as a complement to long-term system development (capital reinforcement), so that Climate Action Plan targets are proactively supported in how we develop and operate the distribution system in a safe and secure manner.

As the distribution system, customer needs and the solutions available evolve, the DSO is putting in place new and **enhanced capabilities to assess and model its future needs**, ensuring system security, resilience and, in parallel, delivering on Climate Action Plan targets.

#### STRATEGIC PROPOSALS

**FORECAST GENERATION AND LOAD** Forecast localised distributed generation, lowcarbon technologies and demand to support system operation and planning

**ENHANCE SUITE OF STUDIES** Analyse the needs/impacts of generation and demand, assessing thermal, voltage, system strength, harmonics and other parameters

HIGHLIGHT SYSTEM REQUIREMENTS Identify and publish (on a 2-yearly basis) the requirements – and the potential – for flexible services in the short, medium, and long term

#### ENHANCE CONNECTION PLANNING

Introduce – and embed – flexible connections, to accelerate electrification and the connection of renewable generation

#### ENHANCE INVESTMENT PLANNING

Develop an enhanced investment planning methodology to identify optimum solutions to identified network constraints, taking account of different attributes of various solutions and where and when flexible services are available

6 ENHANCE OPERATIONAL PLANNING Enable the DSO's optimisation of demand and supply, at a local level, by undertaking near realtime and real-time operational planning

#### STRATEGIC PARAMETERS

#### ARENAS Where will we be

- Forecasting generation and load growth (including profiles)
- Modelling short- (real-time and near realtime) and long-term system requirements
- Identifying network constraints resulting from customer needs and the evolving electricity system
- Identifying how alternative, cost-effective flexible solutions can be deployed
- Facilitating flexible connections for demand and generation customers



- Innovation and streamlining in power system analysis
- Industrialise process for the execution of system studies
- Development of a methodology for capex deferral investment taking account of new services and solutions
- Near real-time and real-time operational planning desks

### DIFFERENTIATORS

How will we stimulate the marketplace?

- **Transparency**, including the publication of updated market information related to shortand long-term flexible services needs
- Stakeholder engagement, to ensure alignment of new developed products and services with real customer needs and capabilities

ECONOMIC LOGIC How will this provide consume value?

- Identifying and deploying the most economically advantageous solution, be it network reinforcement or flexibility services
- Fostering competition between network and non-network solutions

### **POWER · SYSTEM · REQUIREMENTS · VISION**

**Forecast Generation and Demand:** Forecast localised distributed generation, low-carbon technologies and demand to support system operation and planning

**Connection Planning:** Utilise enhanced tools and analyses to introduce and embed flexible connections, to accelerate the connection of renewable generation and low-carbon demand

Advanced System Studies and Analysis: Identify new flexibility services opportunities, based on analysis of the capabilities, needs and impacts of generation and demand, assessing thermal, voltage, system strength, harmonics and other parameters

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Flexibility Needs Statements: Identify and publish the scale, type and locations of flexible services to address short-, medium- and long-term system needs





**Investment Planning:** Develop an enhanced investment planning methodology to identify optimum solutions to identified network constraints, taking account of different attributes of various solutions and where and when flexible services are available

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**Operational Planning:** Enable DSO optimisation and local balancing of flexible demand, storage and distributed generation, applying near real-time and real-time operational planning





### **STAGING · PLAN TO 2030**

