



Mrs Fay Geitona
The Council of European Regulators
Rue le Titien 28
1000 Brussels
Belgium

17th February 2010

Dear Mrs Fay Geitona,

EirGrid is the Transmission System Operator in Ireland and, through its subsidiary SONI, the Transmission System Operator in Northern Ireland as well as the Market Operator for the Single Electricity Market (SEM) which spans both jurisdictions. These roles across a contiguous independent synchronous system combined with the significant renewable targets of 40% of electricity from renewable sources by 2020 give EirGrid a unique perspective on the technical, market, legislative and regulatory challenges in successfully achieving the integration of a high penetration of wind. This letter is in addition to, and complements, the ENTSO-E response to CEER consultation "**Regulatory Aspects of the Integration of Wind Generation in European Electricity Markets.**"

EirGrid welcomes the opportunity to input into this timely consultation. The challenge to integrating wind into the electricity systems and markets is considerable. The magnitude of this is directly related to what level of penetration is to be reached. In order to plan out the measures necessary to accomplish it in the long term EirGrid has found it to be helpful when working across multi-jurisdictions to have clear and broadly consistent renewables targets. Differing renewable policies in neighbouring jurisdictions create difficulties in designing markets which efficiently utilise resources which is likely to pose challenges to Europe.

EirGrid is of the view that to meet the high penetration (40% on a synchronous system) of renewables, where the majority comes from wind, will inevitably result in operational situations where it is necessary to dispatch down windfarms to maintain the security of the system. EirGrid is already experiencing this today and as penetration levels increase this is likely to occur more frequently. Support mechanisms, financial markets, operational strategies and possibly priority dispatch legislation may need to be reviewed in time to ensure that the power and market systems can work together and deliver the policy objectives envisioned.

From experience, EirGrid would note that it is essential to build the necessary grid infrastructure with long term interests in mind. Any grid development plan aimed at facilitating the integration of large amounts of renewable energy must undertake a strategic assessment of infrastructural requirements based on the optimal needs of the power system over the longer term. This has been done in Ireland through the Grid25 strategy.

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It is against this backdrop that it is possible to not only deliver the transmission capacity required but also the necessary certainty to developers with respect to connection costs and usage charges.

Finally, EirGrid reiterates its support of the ENTSO-E response to this consultation. EirGrid, through its involvement in helping deliver the high renewable targets in Northern Ireland and Ireland, is already in many cases experiencing the issues and challenges that go to the heart of the CEER consultation. It is EirGrid's hope that our experience here can help and assist in the development of the European regulatory, market and power system approach to the integration of wind in the future.

EirGrid is happy to discuss and share our experience of integrating high penetration of wind into the market and power systems in the SEM with the CEER.

Please do not hesitate to contact me if you have any queries in relation to this.

Yours sincerely,

A handwritten signature in blue ink that reads "Jon O'Sullivan". The signature is written in a cursive style with a horizontal line underneath the name.

Jon O'Sullivan
Manager, Operational Policy & Performance

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