

BNRG Renewables Ltd Pioneering solar partnerships 08.07.2021

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SEM Committee Commission for Regulation of Utilities The Exchange Belgard Square North Tallaght D24 PXW0

RE: Clean Energy Package - Consultation Response to SEM-21-026 (on redispatch compensation) and SEM-21-027 (on renewable dispatch)

Dear SEM Committee.

BY EMAIL: gkelly@cru.ie

BNRG Renewables Limited is an active participant in the Irish solar industry and as a member of the Irish Solar Energy Association (ISEA), we are writing this letter in support of ISEA's consultation response to SEM-21-026 (on redispatch compensation) and SEM-21-027 (on renewable dispatch). We share the views, and in some cases concerns, being expressed by ISEA.

In particular, we support the following positions:

- Compensation for downward redispatch should be at the level of financial support, regardless of whether it is market-based compensation pursuant to Article 13(2) or non-market based pursuant to Article 13(7).
- Downward redispatch for constraints should be market-based. Ultimately, we believe that this sends an appropriate marginal signal regarding the utilisation of available network for new generation development.
- Downward redispatch for curtailment should be non-market based for new renewables, given the fact that market power concentration would likely occur for new renewables if it were to be classified as market based.
- The assertion that de minimis generators do not have an energy position is unreasonable and plainly incorrect. We believe that consideration needs to be taken as to how de minimis generators will be treated equitably without incurring undue costs.
- A full review of Bidding Principles is required. This may involve either bringing the matters in the consultation papers to a proposed decision,



with a consultative section of Bidding Principles, or delaying a final decision until a separate consultation process is raised on what costs are recoverable for market-based redispatch of renewables supported by subsidy regimes.

- An evolutionary process should be taken with the market design up to the reintegration with European markets via the Celtic Interconnector.
- Most importantly, we emphasise the need for policy and technical certainty, particularly in a timely manner for participation in the RESS-2 auctions. At the very latest, we urge that all policy decisions should be completed by Q1 2022.

We thank you for your continued cooperation and look forward to working together to ensure successful delivery of the Clean Energy Package.

Yours sincerely,

David Maguire

Director