



Energy for
generations

Electricity Supply Board

Ireland 2040 Our Plan - Draft National Planning Framework

Submission on behalf of Electricity Supply Board
03/11/2017



Contents

1. INTRODUCTION	3
2. OVERVIEW OF ESB ACTIVITIES	3
3. Ireland 2040 - Draft NPF	3
3.1 Key Elements of Ireland 2040	3
3.2 All Ireland Issues	4
3.3 National Policy Objectives	4
3.4 Transport Related Planning Policy	5
3.5 Delivery of National Strategic Outcomes	5
4. CONCLUSION	6

1. INTRODUCTION

Electricity Supply Board (ESB) is a statutory corporation established under the Electricity (Supply) Act 1927. Its responsibilities include electricity generation, electricity supply to end use customers and electricity networks - ESB owns the high voltage Transmission System and owns and operates the medium to low voltage electricity Distribution System.

ESB has technical assets of strategic national significance, therefore we welcome the opportunity to make a submission to Ireland 2040 Our Plan - Draft National Planning Framework. We recognise that the focus of the Draft National Planning Framework (NPF) is on growing our cities and towns, building urban centres of scale and achieving better outcomes for rural and urban communities through more effective and coordinated planning and investment in Ireland.

ESB fully supports policies which align with meeting Government targets for emissions reduction, energy efficiency and increased renewable energy sources. To assist with the preparation of a new NPF and the overarching objective of adapting to a low carbon and climate resilient sustainable Ireland by 2050, ESB has set out a number of issues below in respect of the protection, provision and facilitation of strategic energy generation, transmission and distribution infrastructure.

2. OVERVIEW OF ESB ACTIVITIES

As a strong, diversified, vertically integrated utility, ESB operates right across the electricity market; from generation, through transmission and distribution to supply of customers. In addition, we extract further value from our assets through supplying gas, using our networks to carry fibre for telecommunications and to provide charging infrastructure for electric vehicles. ESB is a leading Irish utility, with 47% of generation in the all-island market and supplier of electricity to approximately 1.5 million customers throughout the island of Ireland.

ESB is Ireland's foremost energy company, and the largest supplier of renewable electricity in Ireland. Through innovation, expertise and investment, ESB is leading the way in developing a modern, efficient electricity system, capable of delivering sustainable and competitive energy supplies to customers in the 'all-island market' - the Republic of Ireland, Northern Ireland, England, Wales and Scotland. ESB operates a renewable energy portfolio that has the capacity to supply over 830 MW of green energy to the homes, farms, hospitals, schools and businesses of Ireland and the United Kingdom. Its goal is to reduce ESB's carbon emissions 40% by 2025, and towards becoming carbon-neutral by 2050. ESB aims to achieve this through expanding its wind portfolio, and continually investing in other renewable energy technologies that take advantage of the natural resources available to us.

3. Ireland 2040 - Draft NPF

Energy infrastructure, including grid infrastructure and electricity generation, is critical to support Ireland's future growth. The development of world class infrastructure is critical to Ireland to maintain international competitiveness. Therefore we submit that, energy should be a significant issue within the NPF and sustainability, energy security and renewables policy should be considered central to the final plan.

3.1 Key Elements of Ireland 2040

The NPF policy must support the development of nationally important infrastructure projects for Ireland that require delivery over the next twenty years. The annual *Generation Capacity Statement* cites a 2% increase in demand for Ireland during 2015, and continuing growth over the coming 10 years. Development of increased capacity can in some instances comprise enhancement or

expansion of existing plant to make best use of existing infrastructure and connectivity to the grid. For the effective undertaking of its Power Generation, Transmission and Distribution obligations ESB relies on site specific factors i.e. direct access to cooling water, direct access to sea traffic for fuel delivery, fuel storage facilities, linkage into an integrated transmission and distribution network serving the main Urban Centres.

One of the key goals of 'Delivering a Sustainable Energy Future for Ireland' is the security of energy supply". Section 3.1 'Actions to Ensure Security of Supply' states:

'Security of energy supply is crucial for the economy and society. Security of supply requires that we have reliable access to oil and gas supplies and the infrastructure in place to import, distribute and to store gas and oil. We also need robust gas and electricity networks and electricity generating capacity to ensure consistent supply to consumers and all sectors of the economy'

It is essential that the existing locations of strategic national infrastructure are retained in the long-term for electricity generation and that there is ongoing investment in new technologies, plant and equipment. The existing infrastructure, which has developed over many years, represents major and on-going capital and infrastructural investment in strategic national assets and is essential for the continued provision of a secure and reliable electricity supply. Any policy impacting on energy infrastructure must be considered in terms of capital spending on new infrastructure, competitiveness, security of supply, the long term benefits taking account of Ireland's Climate Change obligations and the move to a low carbon economy. In the context of *Key Element 5 – Using State Lands for Strategic Purposes*, the lands used for the Generation, Transmission and Distribution of electricity have been strictly controlled and do not have the capacity to be a catalyst for regeneration through wider investment in their development or to support the creation of any new agencies for this purpose.

3.2 All Ireland Issues

There will be implications from Brexit that may well impact on planning across the border with Northern Ireland. However, there is an opportunity to ensure a joined-up approach to strategic infrastructure and investment decisions that have a cross-border dimension and how to co-ordinate mutually beneficial ways to address common environmental challenges across shared catchments.

ESB support National Planning Objective (NPO) 49 - *Strengthen all-island energy infrastructure and interconnection capacity to enhance security of electricity supply*. The proposed North South interconnector will increase capacity of the grids North and South, helping to facilitate the connection of more renewable electricity generation. This is essential to achieve sustainable energy targets set by the EU. The introduction of the second North South interconnector will improve the security of electricity supply and enhance the efficiency of the system in both jurisdictions.

3.3 National Policy Objectives

The provision for the development, expansion and renewal of electricity infrastructure is critical to meet growing demand and to protect the future capacity for the development of our main urban centres and the State generally.

ESB support the various National Policy Objectives including NPO 44 and plans for renewable energy and off shore renewable energy resource development. The wider objectives, including NPO

53, reflect the benefits of supporting mutually beneficial development with our neighbours in the British Isles in the areas of spatial and infrastructure planning and other related areas.

ESB is making rapid progress in building our renewables portfolio based on wind. In 2015, 22.8% of the electricity generated in Ireland came from wind. (SEAI). ESB has over 400MW of installed capacity in the Republic of Ireland with additional wind farms in development. ESB plan to deliver a total operating capacity based on wind energy of 1,600 MW by 2025. By 2020, ESB will be delivering one-third of its electricity from renewable generation as it progresses towards achieving carbon net-zero operations which is consistent with Energy Policy and Planning objectives (NPO's 56 and 57) outlined in the Draft NFP. Proposals for capital spending on new infrastructure should also be considered in the context of long term benefits taking account of Ireland's Climate Change obligations and the move to a low carbon economy.

3.4 Transport Related Planning Policy

The European Commission Proposal (January 2013) for a Directive of European Parliament and of the Council on the development of alternative fuels infrastructure proposes a minimum of 2200 publicly accessible EV charging points in Ireland by 2020. With Ireland's natural advantages in terms of wind and other renewables a large proportion of the power used by electric cars will be carbon free in the future.

The establishment of EV infrastructure by ESB and the associated EV usage both nationally and internationally aligns with the key principles and benefits of sustainability and the National Climate Change Strategy on reduction of emissions. We submit that the NPF supports the positive steps taken to date with the inclusion of clear policies to promote, encourage and facilitate the use of sustainable modes and patterns of transport. This is critical to the development of resilient urban settlement and the transition to a low-carbon sustainable Ireland.

3.5 Delivery of National Strategic Outcomes

Existing policies that support the delivery of strategic infrastructure should be reflected in the NFP and thereby limit the possibility for Local Plans to include policies that could potentially hinder the delivery of NPO's. For example, the Government Policy Statement on the Strategic Importance of Transmission and Other Energy Infrastructure (July, 2012) emphasises the strategic and economic importance of investment in networks and energy infrastructure. Under this policy the Government has mandated the State owned Networks Companies *to deliver the State's network investment programmes in the most cost efficient and timely way possible in the interests of all energy consumers who need the investment and who also pay for it.*

Government policy recognises that public acceptability is required for the delivery of key networks projects and that to achieve public confidence project proposals must adhere to the highest international standards of safety, health and environmental and visual impact, and technology choice. *The Government affirms that EirGrid and ESB Networks and Bord Gáis are obligated to adhere to all relevant guidelines and standards and they act in the national interest, and on behalf of all electricity consumers.*

It is recognised that concerns about visual, amenity, health and safety need to be mitigated through the consultation process. The Irish Planning System comprising the National Planning Framework, Regional Planning Guidelines, Local Development Plans and the Strategic Infrastructure Act provides the necessary framework for ensuring that all necessary standards are met and that extensive statutory and non statutory consultation is an intrinsic part of the planning process. This



ensures that there is ongoing consultation with local communities and local authorities regarding the construction of new networks. Including unnecessarily restrictive policies in Plans lower in the hierarchy can only hinder the achievement of the projected National Strategic Outcomes. The provision of infrastructure can be planned to match future demand and the NPF policies should reflect that, in principle, they are supportive of infrastructure development where there is a clear requirement.

4. CONCLUSION

ESB welcome the Draft NPF and its ambitions to deliver sustainable development, long term economic growth and a plan for tackling climate change. Investment in infrastructure is crucial to the economic and social well-being of our country. Such investment creates jobs, stimulates economic activity and provides modern, efficient facilities to provide the services that people need including healthcare, education and community services amongst others. There is a significant multiplier effect from investment in infrastructure which means that it stimulates growth in the local economy. It is also necessary to support EU and national policy on Climate Change adaptation and mitigation.

ESB, Ireland's leading electricity utility, is building a truly sustainable company by investing in smart networks, renewable energy and modernising the generation portfolio. Sustainability, both within the company and in the services we provide are integral to our corporate strategy. We are committed to reducing carbon emissions and addressing long-term concerns over future fuel supplies. ESB is implementing energy strategies that support the transition of Ireland to a low-carbon and ultimately post-carbon economy to become a competitive, resilient and sustainable region. We request that due consideration is given to the issues raised in this submission, most particularly, that the NPF includes clear policies:

- To promote, encourage and facilitate the use of sustainable modes and patterns of transport including electric vehicles.
- That are supportive of infrastructure development where there is a clear requirement.

There are several wide-ranging and cross-departmental objectives contained in the National Planning Framework relating to electricity infrastructure. The Department may consider convening a working group to develop the strategy and policy content that will deliver these objectives. ESB would be delighted to participate in any such group to help further develop integrated policy and themes relating to the future provision of infrastructure.

If we can be of any further assistance, or if you wish to clarify any of the issues raised in this submission, please contact the undersigned.

Yours sincerely,

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|  | www.esb.ie