



An Coimisiún  
um Rialáil Fóntas  
**Commission for  
Regulation of Utilities**

The Grain House  
The Exchange  
Belgard Square North  
Tallaght, Dublin 24  
D24 PXW0

**T** +353 1 4000 800  
**F** +353 1 4000 850  
**E** info@cru.ie  
**www.cru.ie**

Bill Thompson  
Group Head of Regulation  
Eirgrid Plc  
The Oval  
160 Shelbourne Road  
Dublin 4  
D04 FW28

17<sup>th</sup> October 2018

Our Ref: D/18/19009

**Re: Dublin Region Level 2 Locational Capacity Constraints for the upcoming T-4 Capacity Auction**

Dear Bill,

Thank you for your letter on 4<sup>th</sup> October 2018. The CRU notes EirGrid's analysis, in particular, that the Level 2 capacity constraint has the potential to exceed the generation capacity currently connected, or expected to be connected, in the Dublin region.

Having considered EirGrid's proposal, as set out in your letter, in the context of EirGrid's All-Island Generation Capacity Statement 2018-2027, the CRU's Enduring Connection Policy (CRU/18/058), and the location of generation expected to connect in stage one of that process, the CRU is of the view that additional generation capacity wishing to connect in the Dublin region should be facilitated on security of supply grounds.

Accordingly, as provided for in section 1.7 of CRU/18/058, the CRU directs EirGrid to issue a connection offer to any generator located within the Dublin region Level 2 Locational Capacity Constraint area that is successful in the T-4 capacity auction for 2022/23. It is noted that a similar direction may be appropriate in the context of the T-4 capacity auction for 2023/24. Following the outcome of the auction for 2022/23 the CRU will take this into consideration.

The CRU notes that EirGrid has considered the Capacity Market Code (CMC) in this context and that the TSOs, in administering the CMC, will take this Direction into account in their assessment of generators' qualification to participate.



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The CRU is also issuing a similar direction to ESB Networks DAC and it is expected that both system operators will engage accordingly regarding the details of implementing this decision.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'John Melvin', written over a horizontal line.

John Melvin  
Director – Energy Networks and Legal

cc Donal Crean, ESB Networks DAC