An Coimisiún um Rialáil Fóntas
Commission for Regulation of Utilities

Electricity Transmission Network Allowed Revenues for 2027 And Demand Transmission Use of System (D-TUoS) Tariffs 2026/27

Information Paper

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Executive Summary

This Information Paper sets out the 2027 electricity network revenues and 2026/27 network tariffs for the transmission system in Ireland. The annual review, which critically assesses network companies' requests, balances the need to fund continued investment in a safe, reliable and resilient electricity network while ensuring costs borne by customers are appropriately justified.

The Commission for Regulation of Utilities (**CRU**) has challenged assumptions, timing, and scope to ensure only justified costs are recovered from consumers. A number of adjustments have been considered and approved to the Price Review Six (**PR6**) Final Determination (**FD**) revenues. The total difference between the requested transmission revenues and the allowed revenues for 2027 is -€89.16m. This reduction is driven primarily through adjustments relating to the FASS go-live timeline.

The final 2027 revenue allowance is €1,502.44m (2027 prices). This represents an increase of €112.65m (8.11%) compared to the 2026 allowed revenues (which were €1,389.79m in 2026 prices) and an increase of approximately €16.37m (or 1.10%) compared to the PR6 Final Determination 2027 revenue allowance.[1] An overview of the 2027 Transmission revenues and what this means for customers is presented in Figure 1.

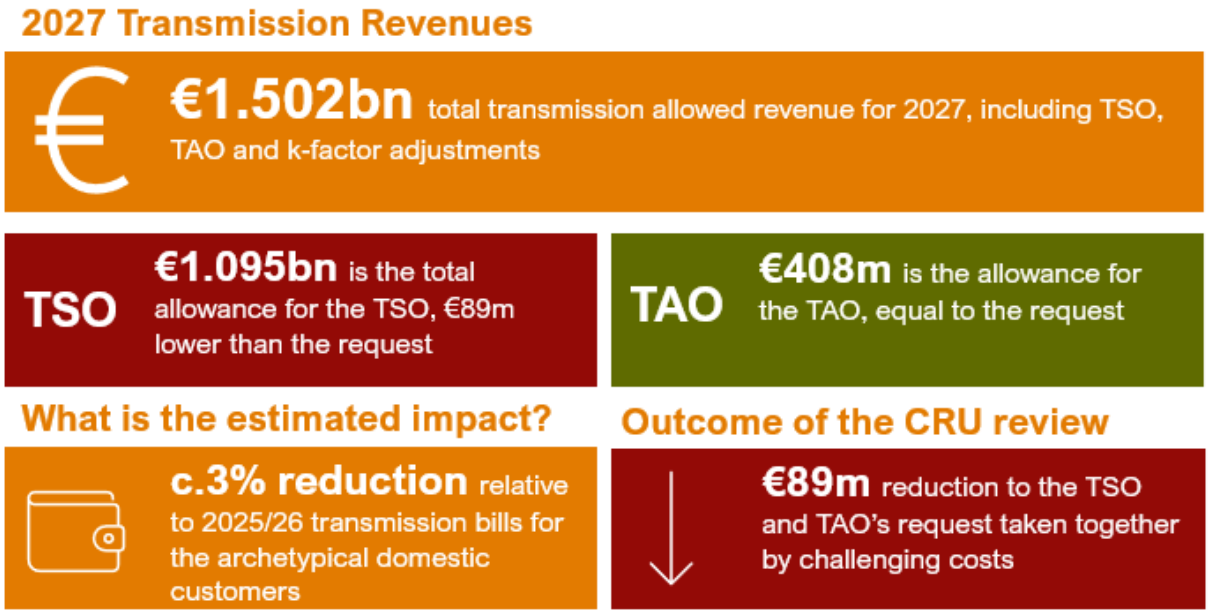


Figure 1: 2027 Transmission Revenues Summary (2027 prices)

The final 2027 allowed revenues of €1,502.44m (2027 prices) leads to a tariff year revenue[2] of €1,472.86m, which is to be recovered during the tariff period 01 October 2026 to 30

[1] Including Future Arrangements for System Services (FASS).

[2] TUoS tariffs are set to recover 26.26% of the revenues associated with the first calendar year (2026 revenue of €1,389.79m) included in the tariff period and 73.74% for the second calendar year (2027 revenue of €1,502.44m).

September 2027. This represents a tariff year increase of *circa* 5.53% relative to 2025/26 (€1,395.64m).

Revenue Driver(s)

The PR6 Final Determination is used as the basis for the 2027 annual revenue process. The key drivers of the difference between the 2027 PR6 Final Determination allowances and the 2027 allowed revenues relate to the Transmission System Operator (**TSO**). These are presented in Figure 2 below (see Section 2 for more detail).

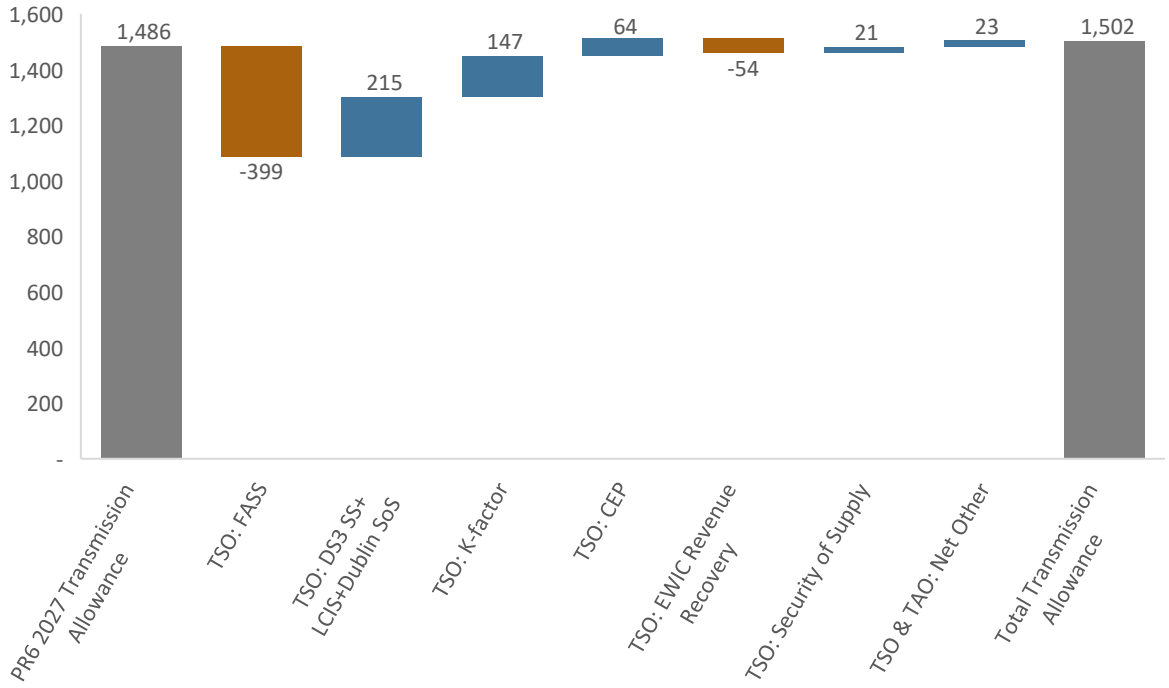


Figure 2: Movement in 2027 Transmission Allowance from PR6 Final Determination to 2027 Allowance (€m, 2027 values)

Public/Customer Impact Statement

The electricity transmission system is owned by ESB (as the Transmission Asset Owner or **TAO**)[3] and operated by EirGrid (as the TSO). It allows for the transport of large volumes of electricity from generators to supply points, where electricity is then sent to homes and businesses through the distribution system (note that some large businesses are connected directly to the transmission system).

The CRU's role is to protect electricity customers by ensuring that the network companies, EirGrid and ESB Networks, spend customers' money appropriately and efficiently to deliver necessary services. The CRU does this through the Price Review process, which sets the revenues that the network companies will be allowed to recover during the next five years to safely operate, develop and maintain the transmission system. The revenues, which feed into the transmission charges, are updated by the CRU every year, as well as the tariffs.

The CRU's PR6 Final Determination, published in December 2025, sets out the regulatory framework and funding required to deliver Ireland's electricity network objectives over the 2026–2030 period. Customers continue to fund significant investment in Ireland's electricity system, with PR6 transmission investment strengthening and expanding the network through the delivery of priority grid infrastructure, a new national control centre and enhanced system operation capabilities, delivering projects focused on decarbonisation, improving reliability and resilience, increasing network capacity and empowering customers.

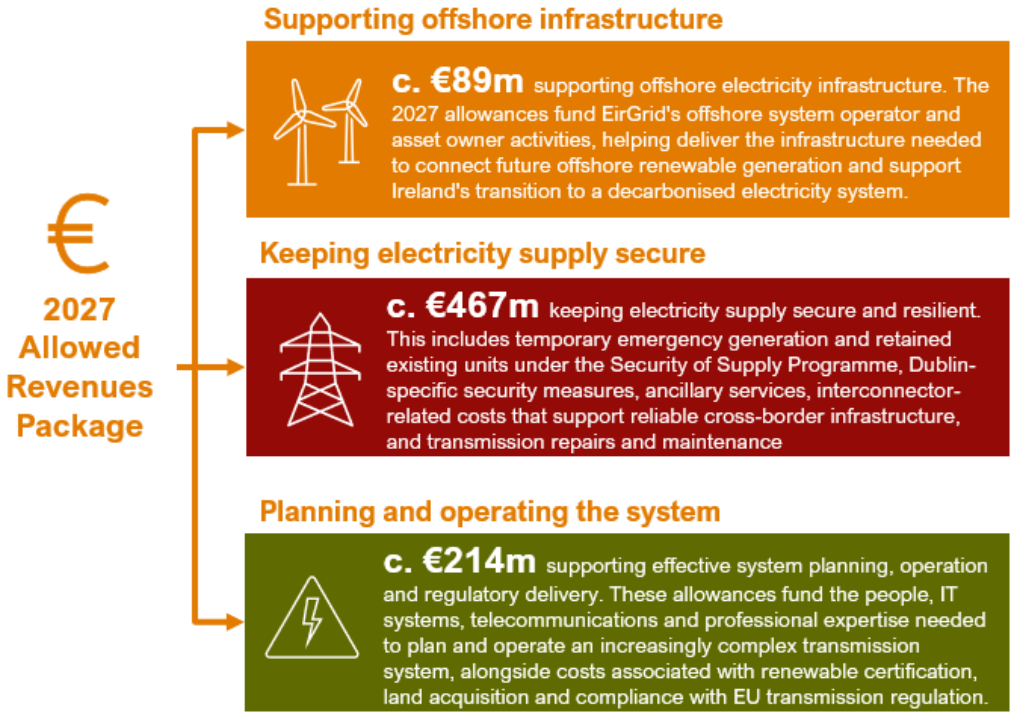


Figure 3: 2027 Allowed Revenues Package Highlights

[3] ESB TAO acts through its business unit ESB Networks.

The CRU supports justified and essential investment in the electricity system. In bill terms, the impact (as calculated by the network companies) of the combined transmission and distribution adjustments are expected to result in the archetypical domestic customer's annual electricity bill increasing by *circa* €41 (with the transmission element decreasing by *circa* €4 and the distribution element increasing by *circa* €45) for the 2026/27 tariff year, compared with the 2025/26 tariff year. This is *circa* €13 less than the original network company asks which would have led to a *circa* €54 increase, prior to the CRU's review. It should be noted that customers' annual bills depend on other factors, such as wholesale market costs (which are in turn driven by factors such as international commodity prices), capacity market costs and other system costs.

The CRU published a paper on protection measures implemented for household electricity and gas customers in 2025.[4] The measures seek to protect customers from the worst effects of high energy prices, while retaining an open, competitive retail energy market. Some of these measures include increased emergency credit available to customers, lowered Pay As You Go (**PAYG**) debt recovery ratios, and extended time for customers to repay debt on repayment plans. This will be reviewed again in 2026.

The CRU has also been engaging with and supporting the National Energy Affordability Taskforce (**NEAT**).[5]

[4] Additional Customer Protection Measures for Household Electricity and Gas Customers (CRU2025125)
[5] National Energy Affordability Taskforce (NEAT) - Government of Ireland,

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Glossary of Abbreviations and Terms

Abbreviation or Term	Definition or Meaning
AIMF	Agile Investment and Monitoring Framework
ATV	Asset Transfer Value
AUP	Average Unit Price (total tariff year revenue divided by total kWh)
AUoS	Additional Use of System
CBAM	Carbon Border Adjustment Mechanism
CEP	Clean Energy Package
CRU	Commission for Regulation of Utilities
DUoS	Distribution Use of System
D-TUoS tariffs	Demand TUoS tariffs – charged to energy suppliers
ESBN	ESB Networks
Euribor	Euro Interbank Offered Rate indicating the average interest rates at which Eurozone banks offer to lend to other banks
EWIC	East-West Interconnector
FASS	Future Arrangements for System Services
FD	Final Determination
G-TUoS tariffs	Generator TUoS tariffs – charged to generators
GWh	Gigawatt hour
HICP	Harmonised Index of Consumer Prices
HFO	Heavy Fuel Oil
LEU	Large Energy User
LSS	Locational Scarcity Scalar
MIC	Maximum Import Capacity
NC	Network Company
OTCE	Operational Tools & Capability Enhancement
PR	Price Review. This is a five-yearly review of the transmission companies' allowed revenues
RAB	Regulated Asset Base
REU	Retain Existing Units
SEMC	Single Electricity Market Committee
SoS	Security of Supply
TAO	Transmission Assets Owner (ESB Networks)
TEG	Temporary Emergency Generation
TSO	Transmission System Operator (EirGrid)
TUoS tariffs	Transmission Use of System tariffs
WACC	Weighted Average Cost of Capital
XLEU	Extra Large Energy User

1 Background and Purpose

The CRU is Ireland's independent energy and water regulator with a range of economic, customer protection and safety functions. Our mission is to protect the public interest in water, energy, and energy safety.

Further information on the CRU's role and relevant legislation can be found on the CRU's website at www.cru.ie.

1.1 Legal Basis

Under the Electricity Regulation Act 1999, as amended, ("**the Act**"), the CRU is the independent body responsible for overseeing the regulation of Ireland's electricity sector, i.e., the system operators and asset owners for electricity transmission and distribution. Section 35 of the Act provides the CRU the legal basis to approve charges for the use of the electricity system in Ireland.

In accordance with Section 35 of the Act, the CRU's electricity Price Review decision outlines the revenue that the TSO and TAO can recover from network customers through Transmission Use of System (**TUoS**) tariffs during a Price Review period. Consistent with Section 36 of the Act, the TSO's Statement of Charges, prepared in accordance with Section 35, must be submitted to the CRU for approval and will not take effect until approved by the CRU. This approval takes place annually through the annual revenue review.

1.2 Price Reviews and Annual Revenues

Electricity Price Reviews and the annual revenue and tariff process are both essential components of economic regulation for electricity networks. While they are related and interlinked, they serve distinct purposes, operate on different time horizons, and rely on different types of inputs and assumptions. This year's annual revenue and tariff process marks an additional transitional phase between the PR6 decision (CRU2025193) and last year's annual revenue and tariff decisions (CRU2025119 and CRU2025118). This means the allowed revenue calculations from last year (based on PR6 Draft Determination) and the CRU's PR6 Final Determination collectively inform the revenue to be recovered from customers through electricity network tariffs over the period 01 October 2026 to 30 September 2027.

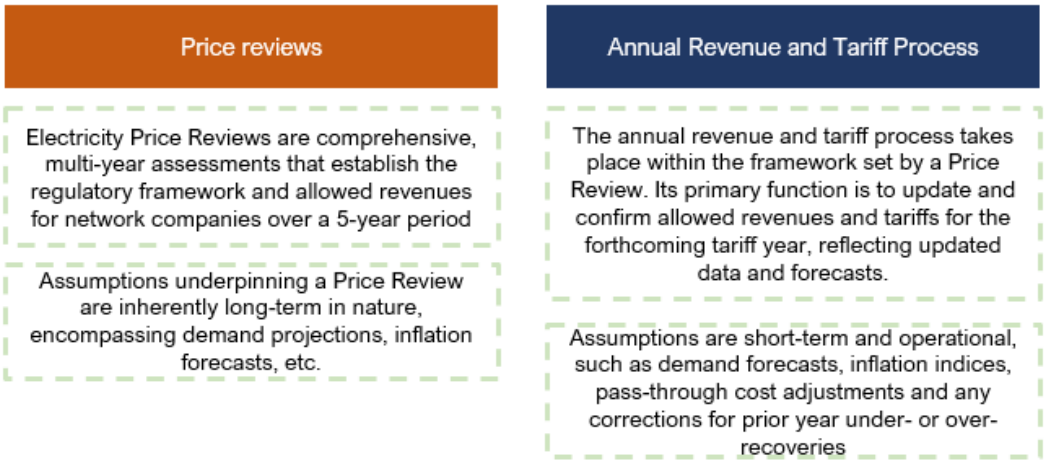


Figure 4: Price Reviews, Annual Revenues and Tariffs

The annual revenues are reviewed and adjusted each year of the Price Review. The annual revenue review includes reviewing the TSO and TAO's expenditure against the allowance set, assessing whether the expenditure is efficient and justified, accounting for any mismatch in the actual revenue collected through tariffs and the forecast collections, and updating the revenues to reflect the latest inflation numbers and demand. During June and July, the approved revenue for the upcoming tariff year is used by the network companies to calculate the tariffs for each customer group. Once approved, the new tariffs are communicated to the electricity suppliers and customers and take effect from October for the relevant tariff year.

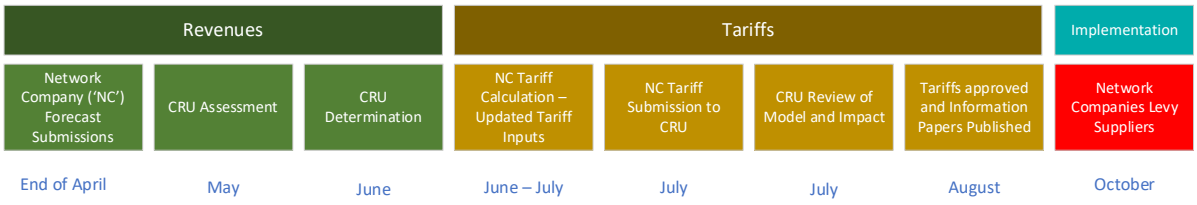


Figure 5: Annual Revenues and Tariffs Indicative Timeline

The revenues allowed will enable the TSO and TAO to fulfil their duties regarding the development and operation of the transmission network in Ireland.

1.3 Other Related Documents

The below documents provide further background and context for the 2027 annual revenues and the 2025 k-factor:

CRU2025119	Information Paper on 2026 Transmission Revenue and 2025/26 D-TUoS Tariffs
CRU2025195	Final Determination Paper on PR6 Transmission Revenue (2026-2030)
CRU2025197	Final Determination Paper on PR6 Regulatory Framework
CRU202482	Information Paper on 2025 Transmission Revenue and 2024/25 D-TUoS Tariffs
CRU20152	Final Determination Paper on PR5 Transmission Revenue (2021-2025)
CRU20154	PR5 Regulatory Framework, Incentives and Reporting
CRU2026113	Letter to TSO Regarding the 2027 Revenue Decision
CRU2026114	Letter to TAO Regarding the 2027 Revenue Decision

CRU2026115	TSO 2027 Annual Revenue Model
CRU2026116	TAO 2027 Annual Revenue Model

1.4 Purpose of this Information Paper

This paper outlines the CRU's decision further to Section 35 of the Act in relation to the allowed revenues for 2027 of ESB Networks as TAO and EirGrid as TSO. These revenues will be recovered from the transmission customers through the TUoS charges. This paper also provides details on:

- the TUoS tariffs to apply from 01 October 2026 to 30 September 2027 (Appendix A.3).

In addition, the following three accompanying documents are published alongside this paper:

- CRU Letter to EirGrid on 2027 Revenue;
- CRU Letter to ESBN on 2027 Revenue; and
- the CRU's excel model detailing the calculations behind the revenue.

A separate Information Paper will be published setting out the TSO's and TAO's performance against a suite of incentives and reporting obligations under the PR6 Regulatory Framework (CRU2025197).

2 Revenue Allowance

This section provides a summary of the TAO and TSO revenues for 2027. These revenues account for updated TSO and TAO forecasts and the 2025 k-factor, as summarised in Figure 2 previously.

Section 2.1 provides a summary of the TAO and TSO Revenues, with key drivers of change described in Section 2.2. Sections 2.3 and 2.4 provide further details on the TAO and TSO 2027 allowances.

2.1 Overview of Transmission Revenue

Table 1 below provides an overview of the revenue allowances for 2027. The total transmission allowed revenue for the 2027 calendar year as per the annual update is €1,502.44m (2027 prices) this represents a 5.60% decrease compared to the total transmission request of €1,591.59m.

Table 1: Summary of Revenue Allowances for 2027 (€m, 2027 prices)

	2027 PR6 FD Allowance[6]	Updated 2027 Allowance	2025 K-Factor	2027 Allowed Revenues
TSO	984.24	858.60	147.26[7]	1,094.59
Offshore	88.73	88.73		
TAO	413.10	404.73	3.12	407.85
Total	**1,486.07**	**1,352.06**	**150.37**	**1,502.44**

2.2 Key Drivers

The top five largest changes between the PR6 Final Determination 2027 transmission allowance and the updated 2027 allowances detailed in this paper are:

1. Updates due to the delay of **FASS go-live** (-€184.66m);
2. TSO **K-Factor** (+€147.26m);
3. Article 13.7 Clean Energy Package (**CEP)** forecast update (+€64.29m);
4. **EWIC** Revenue Recovery (including return to customers of Carbon Border Adjustment Mechanism (**CBAM**) provision) (-€54.12m); and
5. **Security of Supply** forecast update (+€21.04m).

These relate to the TSO and are detailed in Section 2.4.3. Details of other drivers are included in the appendices.

[6] Including FASS.

[7] Currently the Offshore revenues are part of the same k-factor as the TSO revenues. Appendix E provides a further breakdown of the 2025 k-factor.

2.3 TAO Allowed Revenue for 2027

For the TAO, the total allowed revenue for 2027 is €407.85m in 2027 prices. This can be broken down into a 2027 allowance of €404.73m and a k-factor of €3.12m.

The PR6 Final Determination 2027 TAO allowance was €383.36m (2024 prices). Applying forecast inflation for 2025, 2026 and 2027, which is 7.76% cumulatively, gives an allowance of €413.10m in 2027 prices.

Table 2: Summary of TAO Allowed Revenues (€m)

	2027 PR6 FD	TAO Forecast Costs	Allowed Revenues
TAO 2027 Total	413.10	404.73	404.73
K-Factor	N/A	3.11	3.12
Allowed Revenue	**413.10**	**407.84**	**407.85**[8]

Any difference between the 2027 revenue allowed under this decision and the outturn requirement will be corrected in future years through the k-factor mechanism.

2.3.1 TAO 2025 K-Factor Adjustments

The difference between the 2025 allowed revenues previously determined by the CRU and the actual 2025 outturn requirement is known as the 2025 k-factor, which feeds into the 2027 TAO revenue allowance.

The 2025 k-factor is €3.12m (2027 values, including interest) or €2.95m (2025 values, including interest). This increase is mostly driven by the TAO's incentives performance.

The individual k-factor adjustments are shown in Appendix C.

2.3.2 TAO 2027 Forecast Cost Request and Adjustments

The difference between the PR6 Final Determination allowance of €413.10m (2027 prices) and the TAO forecast cost of €404.73m reflects a different assumption on PR5 adjustments. At PR6 Final Determination, a negative PR5 adjustment of €7.42m (2027 prices) was projected across the period. The actual PR5 adjustment for 2027 is €15.70m (2027 prices). This higher negative adjustment explains most of the €8.36m difference between €413.10m and €404.73m. Further details on these allowances may be found in Appendix D.

2.4 TSO Allowed Revenue for 2027

For the TSO, the CRU has allowed €1,094.59m in 2027 Prices. This can be broken down into a 2027 allowance of €947.33m and a 2025 k-factor of €147.26m.

[8] Slight difference between this value and the TAO forecast costs due to incentives outturn.

The PR6 Final Determination allowed €1,072.97m[9] (2027 prices). Excluding the 2025 k-factor, TSO 2027 revenue decreases by €125.64m. With the k-factor included, allowed revenue rises by €21.62m compared to the PR6 Final Determination.

Table 3: Summary of TSO Allowed Revenues (€m, 2027 prices)

	2027 PR6 FD[10]	TSO Forecast Costs	Allowed Revenues
TSO 2027 Total	1,072.97	1,035.33	947.33
K-Factor	-	148.42	147.26
Allowed Revenue	**1,072.97**	**1,183.75**	**1,094.59**

2.4.1 TSO 2025 K-Factor Adjustments

The TSO 2025 k-factor is calculated in the following manner:

a) The first step is the calculation of the difference between the CRU Decision for the 2025 revenues (as determined in 2024) and the approved 2025 updated actual costs (as determined in this paper).

b) The second step is the following subtraction: the approved updated actual costs (as determined in this paper) minus the revenue collected by the TSO in 2025 through the TUoS tariffs.

The resulting figure is known as the 2025 k-factor, which feeds into the 2027 TSO revenue allowance.

The TSO 2025 k-factor (in 2027 prices) is an under-recovery of €147.26m. This under-recovery is mostly driven by the inherent timing mismatch created by the tariff design, whereby revenues recoverable within a calendar year do not fully align with allowed revenues (€80.8m in 2027 prices). It was further increased by lower-than-expected TUoS revenue collection (€37.8m in 2027 prices), and by higher-than-forecast allowable costs, primarily due to increased system operation costs, including DS3 system services and security of supply measures (€28.7m in 2027 prices).

The under-recovery will be collected from customers by applying an equal upwards adjustment to the TSO's 2027 revenue allowance. Further details of the k-factor allowances are included in Appendix E.

2.4.2 Offshore 2025 Adjustments

The 2025 offshore allowance was €28.67m, compared to the actual outturn revenue of €20.76m, resulting in an underspend of €7.91m. Information on the breakdown of 2025 offshore outturn costs is included in Appendix E.

[9] Including FASS.
[10] Including FASS.

2.4.3 TSO 2027 Forecast Cost Request and Adjustments

The CRU has carried out a review of cost requests made by the TSO as part of its 2027 Revenue Requirement submission and sets out its decision in relation to these in Table 4 below.

Table 4: Summary of 2027 Allowance (€m, 2027 prices, excluding k-factor)

	PR6 FD (incl. FASS)[11]	PR6 FD (excl. FASS)[11]	TSO Forecast Costs (Excl. K-Factor)	Allowance (Excl. K-Factor)	Delta (Allowance – PR6 FD incl. FASS)
TSO	984.24	585.00	946.60	858.60	-125.64
OAO	88.73	88.73	88.73	88.73	-
Total	**1,072.97**	**673.73**	**1,035.33**	**947.33**	**-125.64**

The allowance for 2027 is €947.33m, which is a decrease of €88.0m when compared with the TSO Request.

2.4.3.1 Largest Movements

This section presents the details of the largest (absolute value) cost movements between the PR6 Final Determination 2027 allowances and the Allowed Revenues for 2027. Details of other cost items are included in Appendix F.

1. **FASS Go-live (-€184.66m[12] vs PR6 FD)**

At the time of the PR6 submissions, it was expected that FASS would be live by the start of 2027. SEM-25-031 decided on a long-stop date deadline of 30 September 2027, which is the date assumed for go-live in this 2027 annual revenues decision.
The impact that this go-live date has on the annual revenues is as follows:

- While FASS was included in PR6 revenues, it is not recovered through TUoS and so does not form part of the total for TUoS calculations. FASS will be recovered through a specific FASS charge separate to TUoS.
- FASS replaces DS3 System Services, Dublin Security of Supply and LCIS. As it is assumed that it will not be live until Q4 2027, costs for these services must be added onto the PR6 revenue allowances to cover Q1-Q3 where there was previously no allowance (as FASS was expected to be in place).
- The TSO submission was on the basis of twelve months of DS3 System Services, Dublin Security of Supply and LCIS. However, the CRU decided that it was more prudent to allow for nine months of these services, in line with the SEM's long-stop date. Following correspondence with the TSO, EirGrid has confirmed that in the event that FASS go-live does not meet the long-stop date, working capital facilities will be available in 2027 to provide liquidity for DS3 System Services until FASS go-live.

[11] PR6 FD values quoted using updated inflation in line with the inflation used for the 2027 annual revenues.
[12] Not including FASS, as it is not recovered through TUoS.

Table *5*: DS3 System Services and related costs, additional to PR6 FD due to change in estimated FASS go-live (2027 values, €m)

	PR6 Decision[13]	TSO Request	Allowance
DS3 SS & related costs months:	*0*	*12*	*9*
Estimated FASS charge months[14]:	*12*	*3[15]*	*3[16]*
DS3 SS	-	243.75	182.81
Dublin SoS	-	12.5	9.38
LCIS	-	35.27	22.40[17]
FASS Estimate (for information)[14]	*399.24*	*99.81[15]*	*99.81*
Total (including FASS estimate)	**399.24**	**391.33**	**314.39**
Total for TUoS Calculations	**-**	**291.52**	**214.58**

2. Article 13.7 (+€64.29m vs PR6 FD)

Article 13.7 of Regulation (EU) 2019/943 on the internal market for electricity (recast), provided for market participants to be compensated by the System Operators under certain constraint and curtailment events. In March 2022, the Single Electricity Market Committee (SEMC) made a decision (SEM-22-009) which addressed how the level of compensation for market participants would be approached. The decision included certain principles concerning when compensation would be considered "unjustifiably high". This decision was challenged by some market participants by way of judicial review in the Irish High Court. In a decision delivered on 10 November 2023 and finalised on 10 July 2024, SEMC's decision was quashed by the High Court. The High Court found that a number of aspects of the SEMC decision, including those concerning when compensation amounts would be presumed to be unjustifiably high (unless good cause were shown), were in conflict with Article 13.7. This High Court decision is currently under appeal. If applied, the High Court judgment would result in increased liabilities to be settled by EirGrid in the short and medium term.

The PR6 Final Determination included €23.71m (2027 values) for these costs. In the annual revenue submissions EirGrid updated this request to €88.00m (2027 prices). EirGrid noted that the value included in their PR6 submission was a placeholder, and that there is no reliable basis on which to forecast this cost. EirGrid's current forecast for 2027 is based on actual historic run rate data and support price data.

[13] Using updated forecast 2027 inflation.
[14] FASS estimate is included for information, it does not flow through TUoS.
[15] The TSO submission related to TUoS and so did not include a request for FASS costs. The three months listed here is inferred from the long-stop date.
[16] The three month FASS assumption (Q4 2027) impacts TUoS indirectly, in particular through: (a) return on other working capital, which assumes FASS is live for three months, and (b) FASS funding costs, which need to be in place in advance of go-live and so received funding for 2027 on this basis.
[17] LCIS request was also adjusted downwards for a slight reduction in the assumed availability for Phase 2 Units.

Table 6: Article 13.7 CEP 2027 Forecast Components (€m, 2027 values)

Estimate	Value
2027 Forecast	45.0
Update to 2026 forecast	4.0
Update to 2025 forecast	30.0
Update to 2020-2024 forecasts	9.0
Total	**88.0**

As there is no final decision yet, in the interim the request has been approved in full. This allowance (and any interest accrued on it) is to be ring-fenced by EirGrid pending the final legal outcome.

3. EWIC Revenue Recovery (-€54.12m vs PR6 FD)

The EWIC charge is treated in the same way as external TSO cost items, i.e. this charge will be allowed as pass through in PR6 and the CRU will undertake an annual ex-post adjustment to take account of actual outturn costs and revenues earned by the EWIC.[18] There was no allowance in the PR6 Final Determination.[19] EIDAC has advised EirGrid to include an amount of -€54.12m (forecast 2027 prices), and this has been allowed as part of these annual revenues. This is made up of:

- Income on the interconnector exceeded the revenue entitlement and so EIDAC is returning the monies in excess of its costs to TUoS: -€13.12m;[20]
- EIDAC advised the TSO that due to updated forecasts of CBAM liabilities for 2026 it is proposing to return to TUoS the net of the CBAM cost provision included in the 2026 revenues less the updated 2026 forecast liability: -€41m.

4. Security of Supply (+€21.04m vs PR6 FD)

The CRU has approved the TSO's request of €257.02m for 2027 (2027 prices) for activities associated with the Security of Supply Programme. The PR6 Final Determination allowance for 2027 was €235.99m (2027 monies).

Updates regarding the Electricity Security of Supply Programme are available in the CRU's information note from May 2025 here. The breakdown of the forecast costs for the Temporary Emergency Generation (**TEG**) and Retain Existing Units (**REU**) is provided below.

Temporary Emergency Generation

The 2027 forecast for Temporary Emergency Generation reflects the costs of the Initial Service Periods. It does not include any additional costs related to the extension of service periods.

The total TEG cost of €94.15m (2026 prices) can be disaggregated as follows:

[18] CER Information Paper on the EWIC revenue requirement (CER/12/149) can be found here.

[19] As noted in the Transmission Revenues 2025/26 Approval Letter (CRU2025119a), these costs were not accounted for in EirGrid's PR6 business plan submission.

[20] This includes 2027 CBAM forecast costs of €9.1m.

- Payments to Service Providers - €94.15m
    - TEG1: Northwall - €12.32m
    - TEG1: Huntstown - €9.78m
    - TEG2: Shannonbridge - €45.55m
    - TEG2: Tarbert - €26.50m

Retain Existing Units

Action 3 of the CRU Security of Electricity Supply Programme of Actions sought to explore the possibility of extending the operational life of a number of older units, on a temporary basis until new capacity has been delivered to replace them through the Capacity Remuneration Mechanism. As part of this action, EirGrid commenced discussions with a number of parties regarding their respective units, including with ESB in respect to the potential to retain the three Moneypoint Units (MP1, MP2 and MP3) (the Moneypoint Units) on a temporary basis. The CRU issued a Direction to EirGrid on the 18 July 2023 to enter into an agreement with ESB for the provision of Security of Supply Services by Moneypoint under the Targeted Contracting Mechanism and, having regard to Article 16 of Regulation (EU) 2019/941 – the Risk Preparedness Regulation. The Services Agreement was entered into effect on 14 August 2023. The framework for reaching this Agreement is set out in the CRU's Information Paper - Regulatory Approach to Maintaining Local Security of Supply in Electricity.[21]

The Agreement with ESB is temporary in nature, and while extending to March 2029 includes break options for EirGrid to terminate the agreement in whole or in part (that is at a unit level) on 30 September 2027 or 30 September 2028, if the prevailing security of supply conditions allow. The Moneypoint Units now only run when required for security of supply reasons and do not operate in the ex-ante markets. The details of this are outlined in the paper Security of Electricity Supply – Retention of Moneypoint Units (MP1, MP2 & MP3), issued by the CRU on 17th March 2023[22]. The Agreement negotiated with ESB is based on the use of Heavy Fuel Oil (HFO) rather than coal. Operating on HFO increases the availability of the Moneypoint Units and reduces their carbon intensity compared to coal operation while also retaining fuel diversity on the Island of Ireland. All three units exited the capacity market at the end of June 2025 and became available as non-market units from 01 July 2025.

EirGrid sought revenues of €156.36m for 2027 (2026 monies) for its role in retaining existing units.

2.4.3.2 Offshore

EirGrid have requested the baseline amount allowed for offshore costs in the PR6 Final Determination, this is inflated to 2027 prices at €88.73m. No Asset Transfer Value (**ATV**) payments are expected for 2027 and no Agile Investment and Monitoring Framework (**AIMF**) reopeners have been requested for the period. Therefore, no additional requests have been submitted by EirGrid for the 2027 offshore revenues.

[21] CRU17346
[22] CRU2023124

Table 7: 2027 Offshore Revenue Requirement Components (€m, 2027 prices)

	Allowance
Internal Opex	78.32
Frontier Shift	2.05
Depreciation	1.00
Return	7.37
Total	**88.73**

2.4.3.3 PR6 AIMF

As the PR6 Final Determination was published in December 2025, there was no PR6 AIMF submission window in advance of the 2027 annual revenue allowance decision. The first submission window will be in Q4 2026, with any relevant AIMF adjustments to be made through the annual revenue process for 2028.[23]

The CRU noted to the TSO in the 2027 annual revenue approval letter that the appropriate channel for a requested Celtic Interconnector opex would be through the PR6 reopener mechanism instead of the annual revenues. The annual revenue approval letter is published alongside this paper (CRU2026113).

[23] The annual revenue review process is conducted in the year previous to the allowance year, so the 2028 annual revenue process will be conducted during 2027.

3 DTUoS Customer Impact Analysis

Table 8 below gives an indicative customer impact analysis showing the amount of DTUoS charges which relate to archetypical customers under the current and new tariffs. This table is based on values and data submitted by EirGrid to the CRU, except where noted otherwise.

Table 8: Archetypical Customers Estimated Transmission Network Charge Impacts[24]

Example Customer	Tariff Schedule	MWh	MIC (MVA)	TUoS €	Company Request[25]			CRU Decision		
					TUoS €	Change		TUoS €	Change	
						€	%		€	%
				2025/26	2026/27			2026/27		
Domestic	DTS-D2	3.682	N/A	137	139	+2	+2%	132	-4	-3%
Small non-domestic	DTS-D2	35	N/A	1,299	1,321	+23	+2%	1,259	-39	-3%
Medium non-domestic (1)	DTS-D2	1,250	N/A	46,380	47,191	+811	+2%	44,973	-1,408	-3%
Medium non-domestic (2)	DTS-D1	12,500	2.825	427,565	436,357	+8,792	+2%	414,211	-13,355	-3%
Large non-domestic	DTS-D1	25,000	10	921,074	956,270	+35,197	+4%	911,882	-9,191	-1%
XLEU	DTS-T	190,000	44	6,759,644	6,944,427	+184,784	+3%	6,607,445	-152,198	-2%

As can be seen from Table 8, transmission network charges are expected to decrease for the archetypical customers from 2025/26 to 2026/27, following the CRU decision on the 2027 annual revenues and 2026/27 tariffs. Transmission tariff year revenues are increasing from €1,395.64m in 2025/26 to €1,472.86m in 2026/27. However, forecast demand is increasing by 7.51% from 34,600GWh in 2025/26 to 37,200GWh in 2026/27, which is a key driver of the year-on-year reduction.

Different customer types see differing impacts. This relates to which tariff schedule applies to each archetypical customer. As can be seen in Appendix A.3, the charges which make up the transmission element of the network bill differ based on whether the customer is classified as DTS-D2, DTS-D1 or DTS-T.

It is estimated that the transmission element of the network charges which relate to the archetypical domestic customer[26] will decrease by *circa* 3.04% or €4.15 to €132.47 in 2026/27, from the 2025/26 levels. Drivers of this decrease include the demand forecast increase, FASS go-live, EWIC CBAM revenues and a decrease in security of supply and CEP costs since 2026. Decreasing factors are partially offset by increasing factors such as the TSO k-factor.

[24] Excludes FASS as it is not part of TUoS.

[25] Estimates calculated by the CRU, based on the submissions from the network companies in April 2026.

[26] Network charges are levied on electricity suppliers, who determine what level to absorb or pass on to their customers through billing.

The original submissions from the network companies implied a *circa* €2.39 increase in charges for the archetypical domestic customer. The difference between this and the €4.15 decrease calculation is due to the reduction in the 2027 annual revenue allowance between company submission and CRU decision.

As a result of the Interim Transmission Network Charges for Energy Storage decision (CRU/2026/96), EirGrid used house loads for calculation of the capacity elements of TUoS charges for batteries rather than MIC which had been used historically. This yielded a sizeable reduction (57%) in the MIC used for calculating that element of the tariff, which resulted in the capacity-based elements of the charges increasing accordingly. However, there was a reduction in the energy-based element of the tariffs which means that the overall forecast customer impact is a reduction in TUoS charges compared to 2025/26.

3.1 Network Cost Sensitivity

Electricity network revenues and tariffs are determined using the best information available at the time of the annual review. While long-term Price Reviews provide a stable framework for network planning and investment, annual updates remain an important element of the regulatory process. They allow revenues and tariffs to respond to changes in economic conditions, inflation, demand and system requirements, ensuring that network charges continue to reflect prevailing circumstances and the cost of operating, maintaining, and developing Ireland's electricity system. Some of the drivers of network bill changes (including both distribution and transmission) are:

1. **Inflation**: Network revenues are set using the latest inflation forecast. Inflation affects the costs of operating, maintaining and investing in the electricity networks. If inflation is higher than forecast, the costs of operating and delivering the network increases, resulting in higher allowed revenues and ultimately increased network tariffs. Conversely, if inflation is lower than forecast, network charges may be lower than they otherwise would have been. For 2026/27, the estimated impact of updating the inflation forecasts from those used while setting the PR6 allowances to the latest forecast at the time of the 2027 revenue requests on the archetypical domestic customers bill is an additional *circa* €10.

2. **Force Majeure events**: Exceptional and unforeseen events, such as major storms can result in significant additional costs to restore the electricity network. Where these costs are justified, they may be recovered through future network charges. For example, the impact of Storm Éowyn was significant, leading to a *circa* €13 increase to the total archetypical domestic customers bill (through DSO costs).

3. **Customer inputs**: Annual network tariffs rely on forecasts such as electricity demand, customer numbers and contracted capacity (MIC) forecasts. Changes in these inputs affect how the approved revenue is recovered. For example, where demand decreases relative to the initial forecast, the revenue is recovered from a smaller base, increasing tariffs. Where demand exceeds forecast, costs are spread more widely, reducing tariffs.

In the coming years, the CRU expects network companies to avail of the mechanisms approved as part of the PR6 AIMF.[27] This includes reopeners, volume drivers, and other uncertainty mechanisms. Triggering the AIMF due to the need to deliver more, changes in project scope, changes in costs, or other changes - all subject to CRU's scrutiny of the request - will lead to changes in the bill impact.

[27] For details on the AIMF, refer to CRU2025197.

Appendix A. TUoS Tariffs

The TUoS tariffs are composed of the G-TUoS tariffs and D-TUoS tariffs, passed on to generators and energy suppliers, respectively. The CRU approves TUoS tariffs on an annual basis to cover the period from 01 October to 30 September. TUoS tariffs are set to recover 26.26%[28] of the revenues associated with the first calendar year included in the tariff period and 73.74% for the second calendar year, as the revenues are set on a calendar year basis whereas the network charges are set on a tariff year basis (October to September).

This Information Paper details the D-TUoS tariffs calculated for the tariff period from 01 October 2026 to 30 September 2027.

A.1 NESF Response and Tariff Arrangements

On 18 August 2022, the CRU published a consultation proposing the introduction of new electricity tariff structures for 2022/23 with regard to its responsibilities under the National Energy Security Framework. The Response and Decision Paper (CRU202291) set out the detail of the reforms for 2022/23. These included:

- All domestic customers (DG1 & DG2) with a smart meter and who have opted for smart services will be charged a peak-rate that reflects a 10% differential with the day-rate.
- All small non-domestic customers (DG5) with a smart meter and who have opted for smart services will be charged a peak-rate that reflects a 10% differential with the day-rate.
- Medium sized (DG7, DG8 and DG9) quarterly hour metered customers will be charged a peak-rate that reflects a 10% differential with the day-rate.
- All Large Energy User (**LEU**) and XLEU customers, i.e. DG10 and DTS-T, will see the introduction of a peak and non-peak tariff (between 17:00 – 19:00) that reflects a 10% differential between the rates.

The CRU has considered the structural reforms introduced in 2022 and is maintaining these tariff structures in their current form (as set out above).

The tariffs included in A.3 are calculated by the network companies based on current tariff structures. On 10 September 2025 the CRU published CRU/2025/120, which marks the re-commencement of its review of the structure of electricity network tariffs. How network tariffs are structured determines how network costs are allocated across network users and can influence their behaviour.

Offshore

The Offshore Grid Connection Asset Treatment Decision CRU202309 outlined the main tariffing decisions made in respect of EirGrid's offshore programme. That decision paper

[28] This is based on the percentage of demand that relates to the relevant period of the year.

outlined that there will be a new offshore D-TUoS tariff. In the interim the current recovery approach will continue to apply.

A.2 AUP and TUoS Tariffs for 2026/27

The TUoS tariffs for the 01 October 2026 to 30 September 2027 period have been calculated by the TSO to allow recovery of the tariff year revenue of €1,472.86m as detailed in this paper.

The 2026/27 tariff year allowed revenues represent a *circa* 5.5% increase relative to the €1,395.64m that was approved for recovery during the equivalent period for the previous tariff year (01 October 2025 to 30 September 2026).

The TSO's forecast demand for 2026/27 is 37,200GWh. This represents an increase of 7.51% when compared to the forecast of 34,600GWh in 2025/26. [29]

The Average Unit Price (**AUP**) is an estimated value, calculated by dividing the total allowed revenue by the forecast units of electricity sold (measured in kWh). The estimated Transmission AUP for the 2026/27 tariff period is 3.96c/kWh. The 2026/27 AUP represents a 1.8% decrease compared to the estimated AUP for 2025/26 of 4.03c/KWh. Although 2026/27 revenues are 5.5% higher than in 2025/26, this is more than offset by the forecast demand growth. This results in an overall reduction in the transmission AUP.

Table 9: AUP 2026/27 and Components

	Unit	Value
Transmission Allowed Revenue 2026	€m	1,389.79
Transmission Allowed Revenue 2027	€m	1,502.44
Transmission Allowed Revenue 2026/27[30]	€m	1,472.86
Demand Forecast 2026/27	GWh	37,200
AUP	**c/kWh**	**3.96**

According to EirGrid, forecast demand growth is primarily driven by continued growth in transmission-connected consumption and is assumed to remain broadly in line with recent trends in 2026/27. EirGrid also identified geopolitical developments as a potential downside risk to demand through higher prices; however no adjustment has been made by the TSO to the forecast to reflect this risk.

The combined distribution and transmission AUP impact is an increase of *circa* 3.9% compared to 2025/26.

Table 10: Summary of AUP Impact

	2025/26	2026/27	Change (%)
Distribution	5.13	6.06	+18.0%
Transmission	4.03	3.96	-1.8%
Combined	7.73	8.04	+3.9%

[29] EirGrid do not have the 2025/26 outturn demand at this point (2025/26 tariff year is ongoing).
[30] 26.26% of the 2026 allowance plus 73.74% of the 2027 allowance.

The TUoS tariffs for previous years are published on the CRU website.

A.3 TUoS Demand Tariffs

A.3.1 Demand TUoS Tariffs for the Republic of Ireland

In calculating the TUoS Demand Tariffs, which cover the twelve-month period from 01 October 2026 to 30 September 2027, EirGrid has applied an energy-based weighting to the tariffs derived from the transmission revenue for the calendar year of 2026[31] and the calendar year 2027. The Demand TUoS Tariffs are detailed in Table 11.

The following should be noted when reviewing the table:

- Large Energy User (LEU) rebalancing has been discontinued, the distinction in tariff rates for LEU and non-LEU customers no longer exists, therefore a single tariff schedule rate is applied to each type of connection.
- DTS-T customers are those directly connected to the transmission system.
- DTS-D1 customers are those indirectly connected to the transmission system via the distribution system and have a maximum import capacity (**MIC**) of greater than or equal to 0.5MWs.
- DTS-D2 customers are those indirectly connected to the transmission system via the distribution system and have a MIC of less than 0.5MWs.

Table 11: D-TUoS Tariffs 2026/27

Schedule	TUoS Charge	2026/27 Charges	% Variance
DTS-T	Network Capacity Charge	€2,502.8933/MW	24.5%
	Network Transfer Charge	€4.6316/MWh	13.2%
DTS-D1	Network Capacity Charge	€2,103.7806/MW	26.6%
	Network Transfer Charge	€4.6316/MWh	13.2%
DTS-D2	Network Capacity Charge	€10.4932/MW	13.5%
	Network Transfer Charge	€4.6316/MWh	13.2%

The full set of Demand tariffs and application of these tariffs will be set out in EirGrid's Statement of Charges to be approved by the CRU and published by EirGrid under Section 36 of the Electricity Regulation Act 1999, before the commencement of the upcoming tariff period.

A.3.2 System Services Charge

The System Services Charge was previously updated as part of the Network Tariff Reforms decision. A Time of Use element is applied to DTS-T customers which means a different rate for the hours of 17:00-19:00. The details of the proposed tariffs are included in the table below.

[31] Please refer to 2023 transmission revenue decision paper (CRU2023104).

Table 12: System Services Charges 2026/27

System Services Charge	2025/26 Charges	2026/27 Charges	% Variance
DTS-T Off-Peak rate	26.4697/MWh	23.9722/MWh	-9.4%
DTS- T Peak Rate	29.1167/MWh	26.3695/MWh	-9.4%
DTS-D1 Rate	26.6892/MWh	24.1691/MWh	-9.4%
DTS-D2 Rate	26.6892/MWh	24.1691/MWh	-9.4%

A.3.3 Locational Scarcity Scalars

The Locational Scarcity Scalar rates for 2026/27 are set out in the table below.

Table 13: Locational Scarcity Scalars 2026/27

Replacement Reserve – Desynchronised	Replacement Reserve – Synchronised	Ramping Margin 1	Ramping Margin 3	Steady State Reactive Power	Tertiary Operating Reserve
1.94	1.94	1.94	1.94	1.94	1.94

A.3.4 All-Island Generator TUoS Tariffs

The All-Island Generator TUoS Tariffs for the period 01 October 2026 to 30 September 2027 will be published on EirGrid's website.

Appendix B. Revenue Setting Formulae

B.1 TSO Formula

A simplified revenue control formula for the TSO annual revenues is presented as Equation 1 below. CRU2026115 provides further details.

Equation 1: Simplified TSO Revenue Control Formula

$$TSO_T = \prod_{i=2025}^{T} \left[1 + \frac{Inf_i}{100}\right] * (B_T + U_T) + K_{T-2}$$

For the 2027 calendar year:

- **T** = 2027
- **TSO_T**= allowed TSO revenues for 2027 are €1,094.59m;
- **Inf_i**= HICP inflation for year *i*, where *i* = 2025, …, T. When adjusting from 2024 to 2027 values, the relevant figures are multiplied by 7.76%. This is to take into account inflation from 2024 to 2027. The HICP values which were taken for each year during this period were 2.07% (2025 outturn), 2.90% (2026 forecast) and 2.60% (2027 forecast);
- **B_T**= the level of allowed revenue for the 2027 calendar year in 2024 terms, as allowed in the PR6 Final Determination, is €995.73m;
- **U_T**= the updates to the 2027 PR6 Final Determination allowances provided through this annual revenue process, in 2024 values. This amounts to -€116.60m;
- **K_{T-2}**= the correction factor for 2025, which is €147.26m (in 2027 values).

For this year, the above includes offshore costs.

B.2 TAO Formula

A simplified revenue control formula for the TAO annual revenues is presented as Equation 2 below. CRU2026116 provides further details.

Equation 2: Simplified TSO Revenue Control Formula

$$TAO_T = \prod_{i=2025}^{T} \left[1 + \frac{Inf_i}{100}\right] * (B_T + U_T) + K_{T-2}$$

- **T** = 2027
- **TAO_T** = allowed TAO revenues for 2027 are €407.85m;
- **Inf_i** = HICP inflation for year *i*, where *i* = 2025, …, T. When adjusting from 2024 to 2027 values, the relevant figures are multiplied by 7.76%. This is to take into account inflation

from 2024 to 2027. The HICP values which were taken for each year during this period were 2.07% (2025 outturn), 2.90% (2026 forecast) and 2.60% (2027 forecast);

- $\mathbf{B_T}$ = the level of allowed revenue for the 2027 calendar year in 2024 terms, as allowed in the PR6 Final Determination, is €383.36m;
- $\mathbf{U_T}$ = the updates to the 2027 PR6 Final Determination allowances provided through this annual revenue process, in 2024 values. This amounts to -€7.76m;
- $\mathbf{K_{T-2}}$ = the correction factor for 2025, which is €3.12m (in 2027 values).

B.3 Overall Transmission Formula

Combining the above gives the total transmission revenues R_T:

Equation 3: Overall Transmission Revenue Control Formula

$$R_T = TSO_T + TAO_T$$

Appendix C. TAO K-Factor

C.1 Summary Table

Table 14: TAO 2025 K-Factor Details (€m)

	2025 Forecast	Outturn Costs	Adjustments
External Costs			
CRU Regulatory Levy	1.34	4.09	2.75
Local Authority Rates	41.85	36.51	(5.34)
Uncertain Costs: Non-Capitalised			
Additional use of System (AUoS)	-	-0.51	-0.51
PR5 Audit Costs	-	-	-
Incentives			
Incentives	-	-	7.19
Other Adjustments			
Inflation Correction	-	-	-1.26
Depreciation	-	-	-
Return	-	-	-
Total k-factor adjustment (before interest) in 2025 prices			**2.83**
Total k-factor adjustment (after interest) in 2025 prices			**2.95**
Total k-factor adjustment (after interest) in 2027 prices			**3.12**

C.2 Details on Cost Items

Details of items with adjustments in Table 14 are provided in this section.

1. **CRU Regulatory levy (+€2.75 million)**

The CRU levy is applied annually and following this year's review, an upward adjustment of €2.75m has been applied to the allowance for 2025.

2. **Local authority rates (-€5.34 million)**

Rates are levied annually by local authorities around the country on the TAO. Following this year's review, a downward adjustment of €5.34m has been applied to the allowance for 2025.

3. **Additional Use of System (AUoS) (-€0.51 million)**

The Additional Use of System relates to use of the transmission system for purposes other than the electricity transmission, such as telecoms.

4. **Inflation Correction (-€1.26 million)**

The CRU's calculation of annual revenue allowances comprises a forecast inflation adjustment. The 2025 ex-ante allowance was calculated using forecast inflation rates for 2024 and 2025. Correcting those rates to actuals results in a downward adjustment of €1.26m.

4. Interest Provision for TAO 2025 K-Factor

Once the k-factor is calculated, an interest adjustment is applied.

As stated in CRU/20/152 (PR5), interest at the three-month average Euribor rate would be added to the relevant annual over/under recovery amount. The interest rate (I) that is applied to under and over-recoveries/k-factors for transmission revenue for year t-2 is the mean of the twelve-monthly average three-month Euribor rate between April and March of the year t-2 (i.e. April of year t-3 to March year t-2) multiplied by the mean of the twelve-monthly average three-month Euribor rate between April and March of the year t-1 (i.e. April of year t-2 to March year t-1).

Following adjustment for interest, the TAO 2025 k-factor results in a net TAO k-factor over-recovery of €3.12m (2027 Prices).

Appendix D. TAO 2027 Revenues

D.1 Summary Table

Table 15: Summary of TAO Forecast Adjustments (€m, 2027 prices)

Cost Items	2027 PR6 Decision	Allowance Request	Allowance	Delta (Allowance - PR6 FD)	Delta (Allowance - Request)
Controllable Opex					
Transmission Operations	4.09	4.09	4.09	-	-
Planned Maintenance	25.11	25.11	25.11	-	-
Fault Maintenance	2.48	2.48	2.48	-	-
Asset Management	0.97	0.97	0.97	-	-
Network Rates	42.75	42.75	42.75	-	-
CRU Regulatory Levy	3.60	3.60	3.60	-	-
Company Wide Costs	0.43	0.43	0.43	-	-
Corporate Charges	3.88	3.88	3.88	-	-
Insurance	0.32	0.32	0.32	-	-
Pension	0.22	0.22	0.22	-	-
IT OPEX	0.54	0.54	0.54	-	-
Professional Fees	3.13	3.13	3.13	-	-
Telecom Fees	2.37	2.37	2.37	-	-
Total Controllable Opex	**89.88**	**89.88**	**89.88**	-	-
Depreciation and RAB					
Depreciation	148.38	148.38	148.38	-	-
Return on Fixed Assets	175.42	175.42	175.42	-	-
Return on Working Capital	3.43	3.33	3.33	-0.1[32]	-
Total Depreciation and RAB	**327.22**	**327.12**	**327.12**	-0.1	-
Other Adjustments					
PR5 Opex and Capex adjustments	-7.42	-15.70	-15.70	-8.28	-
FD/DD Adjustment	3.21	3.21	3.21	-	-
Frontier Shift	0.22	0.22	0.22	-	-
Total Other Adjustments	**-4.00**	**-12.28**	**-12.28**	**-8.28**	-
Total[33]	**413.11**	**404.73**	**404.73**	**-8.38**	-

D.2 Details on Cost Items

Cost items with a delta versus the PR6 Final Determination are described in this section.

1. **PR5 Opex and Capex adjustments (-€15.7m, 2027 prices)**

PR5 *ex-post* allowances in the PR6 Final Determination were set using forecast 2024 and 2025 opex and capex values. Actual outturn expenditure was lower than forecast for those years, with the largest determinant being under-expenditure in capital projects. The largest project underspends are driven by deferrals to Project Agreement (**PA**) dates.

[32] This difference is due to the movement between the PR6 FD inflation assumptions and the forecast 2027 inflation.
[33] This total value is exclusive of k-factor adjustments.

Appendix E. TSO K-Factor

E.1 Summary Table

Table 16: TSO 2025 K-Factor Details (€m):

Cost Items	2025 Allowance (2025 forecast monies)	TSO Requested Outturn	Allowed Outturn	Delta (Allowed Outturn - Forecast Allowance)	Delta (Allowed Outturn – Requested Outturn)
Onshore					
Pass-Through Costs / External Costs					
Inter TSO Compensation	3.73	4.35	4.35	+0.62	-
CRU Regulatory levy	3.05	4.08	4.08	+1.04	-
CORESO Subscription	1.32	1.45	1.45	+0.13	-
DUoS Costs	7.02	6.84	6.84	-0.18	-
Ancillary Services	4.28	2.26	2.26	-2.01	-
DS3 System Services	264.00	283.46	283.46	+19.46	-
Dublin Security of Supply	12.50	13.48	13.48	+0.98	-
Security of Supply Programme	337.27	379.82	379.82	+42.55	-
Total External Costs	**633.17**	**695.74**	**695.74**	**+62.57**	-
Interconnection					
Interconnector Services	1.02	-3.47	-3.47	-4.49	-
EWIC TUoS Entitlement	-7.32	-7.32	-7.32	-	-
Celtic - debt service and liquidity costs	17.75	13.90	13.90	-3.85	-
Greenlink Readiness (depreciation & return)	2.00	1.47	1.47	-0.53	-
Celtic Readiness (depreciation & return)	4.70	2.45	2.45	-2.25	-
Total Interconnection	**18.15**	**7.03**	**7.03**	**-11.12**	-
TSO Operating Revenues					
Internal Costs	75.73	75.43	75.43	-0.30	-
Depreciation	16.29	16.23	16.23	-0.06	-
Return on Stage 1 Working Capital	1.31	2.87	2.87	+1.56	-
Return on Other Working Capital	8.28	12.56	12.56	+4.28	-
Return on Fixed Assets in the RAB	1.87	1.86	1.86	-0.01	-
Total Operating Revenues	**103.48**	**108.95**	**108.95**	**+5.47**	-
Other Adjustments					
PR4 Adjustment	-1.79	-1.82	-1.82	-0.03	-
Adjustments Constraints bank fee	-	0.48	0.48	+0.48	-
Guarantees of Origin	0.39	0.39	0.39	+0.00	-
Land Acquisition	1.24	1.21	1.21	-0.03	-
Innovation Funding (CCT Ph 2)	0.21	0.09	0.09	-0.12	-
TSO Market System Release Capital	-	0.94	0.94	+0.94	-
Firm Access Jurisdictional Settlement Cost	-	0.50	0.50	+0.50	-
NRAA	0.56	0.24	0.24	-0.32	-
CGM (Common Grid Model)	0.34	0.22	0.22	-0.12	-
Strategic Market Programme (depr & return)	6.25	2.98	2.98	-3.27	-
Scheduling and Dispatch (depr & return)	6.12	5.81	5.81	-0.31	-

Cost Items	2025 Allowance (2025 forecast monies)	TSO Requested Outturn	Allowed Outturn	Delta (Allowed Outturn - Forecast Allowance)	Delta (Allowed Outturn – Requested Outturn)
FASS (depreciation & return)	3.13	2.52	2.52	-0.61	-
Operational Tools & Capability Enhancement (OTCE)	2.43	0.33	0.33	-2.11	-
Cyber	2.31	2.30	2.30	-0.01	-
LDES	1.25	0.37	0.37	-0.88	-
OTP and TSO TAO Data Exchange	1.08	0.19	-	-1.08	-0.19
CSRD	1.02	0.80	0.80	-0.22	-
Data Hubs	1.02	0.33	0.33	-0.69	-
CEP	131.00	107.56	107.56	-23.44[34]	-
SONI Demerger	-	1.51	1.02	+1.02	-0.49
Hybrids	1.61	-	-	-1.61	-
EU Regulation 838/2010 Compliance - Generator Payments	-	3.41	3.41	+3.41	-
TSO Operational SoS Requirement	-	0.82	0.82	+0.82	-
TAO Charge	319.86	319.86	319.86	-	-
Incentives	-	5.06	4.63	+4.63	-0.43
Total Adjustments	**478.05**	**456.11**	**455.01**	**-23.04**	-1.10
Total Onshore	**1,232.84**	**1,267.83**	**1,266.73**	**+33.89**	-1.10
Offshore					
Operating Revenues					
Return on Offshore RAB	-	0.75	0.75	+0.75	-
Internal Payroll and Pensions	28.67	4.63	4.63	-24.04[35]	-
External Costs					
Offshore Delivery – Contract and Agency	-	6.80	6.80	+6.80	-
Offshore Delivery - Professional Fees	-	8.46	8.46	+8.46[36]	-
IT Opex	-	0.12	0.12	+0.12	-
Total Offshore	**28.67**	**20.76**	**20.76**	**-7.91**	
2022 Over/Under Recovery	150.57	151.82	151.82	+1.25	-
Total 2025 Outturn Revenue	1,412.08	1,440.41	1,439.30	+27.23	-1.10
Collected TUoS			1,299.83		
Total K-Factor Adjustment (2025 prices)			**139.48**		
Total K-Factor Adjustment (2027 prices)			**147.26**		

[34] The apparent reduction in 2025 Article 13.7 CEP costs reflects the timing of revenue recovery through TUoS tariffs, rather than a reduction in the underlying CEP liability.

[35] The underspend in Internal Payroll and Pension is due to a 'reprogramming of the OARP activities during 2025', this led to a reduced pace of internal hiring compared to April 2025 forecast. EirGrid state that the offshore team continues to 'grow in line' with the reprofiled OARP activities and delivery timelines.

[36] The reduction in Internal Payroll and Pensions was partly offset by higher external costs, such as contract and agency of +€6.80m and professional fees of +€8.46m.

E.2 Details on Cost Items

Below are further details of cost item allowances as shown in the table above. Details provided for allowances which have a delta with the TSO allowance request.

1. **OTP and TSO / TAO Data Exchange (no allowance)**

In 2025 there was an allowance of €1.08m (forecast 2025 prices) in this category. This was a partial allowance for OTP, the 2025 TSO / TAO Data Exchange request was rejected. As this outturn request is for TSO TAO Data Exchange, it received no allowance in line with the original decision.

2. **SONI Demerger (€1.02m, 2025 prices)**

This cost category relates to Condition 42 of the SONI Licence which requires SONI to demerge a number of its shared management roles and resources jointly operated with EirGrid.

In the PR6 Final Determination, the CRU allowed all ex-post costs related to SONI demerger as they were understood to be exploratory in nature to understand the impact of the licence change on EirGrid. The CRU disallowed all ex-ante costs on the basis that the costs associated with EirGrid's chosen approach arise from independent decisions taken by EirGrid.

The TSO sought outturn costs of €1.51m (2025 monies) in 2025 for this cost category, compared to €1.02m (2025 monies) in the PR6 Business Plan Questionnaire. Having reviewed the submission, the CRU considers that the additional costs are of a similar nature to those that were not provided for on an ex-ante basis in the PR6 Final Determination. Accordingly, the CRU has provided an allowance of €1.02 million (2025 prices), consistent with the PR6 Final Determination and the rationale underlying that decision.

Appendix F. TSO 2027 Revenues

F.1 Summary Table

Table 17: Summary of TSO Forecast Adjustments (€m, 2027 prices)

Cost Items	2027 PR6 FD	TSO Allowance Request	Allowance	Delta (Allowance - PR6 FD)	Delta (Allowance – TSO Request)
Onshore					
TSO Operating Revenues					
Staff costs	82.00	82.00	82.00	-	-
Staff related costs	4.53	4.53	4.53	-	-
Contractors	21.23	21.23	21.23	-	-
Telecommunications	8.51	8.51	8.51	-	-
Premises	9.16	9.16	9.16	-	-
IT Costs	30.93	30.93	30.93	-	-
Insurance and Compensations	0.97	0.97	0.97	-	-
Public Engagement	2.48	2.48	2.48	-	-
Professional Services	23.38	23.38	23.38	-	-
Grid Maintenance & Client Engineering	1.19	1.19	1.19	-	-
Rates	0.65	0.65	0.65	-	-
Promotion of research	1.51	1.51	1.51	-	-
Intercompany- Payroll recharges	-3.42	-3.42	-3.42	-	-
Depreciation	80.17	80.17	80.17	-	-
Return on Stage 1 (Side RAB) Working Capital	1.73	1.73	1.73	-	-
Return on Other Working Capital	9.31	10.68	9.22	-0.09	-1.47
Return on fixed assets in the RAB (capex non network)	15.41	15.41	15.41	-	-
Working Capital Facility Fees	0.56	0.56	0.56	-	-
Total TSO Operating Revenues	**290.30**	**291.67**	**290.20**	**-0.09**	**-1.47**
External Costs					
Inter TSO Compensation	3.99	7.59	7.59	+3.61	-
CORESO subscription	1.40	1.74	1.74	+0.34	-
CRU Regulatory Levy	3.23	4.62	4.62	+1.39	-
DUoS costs	7.44	7.66	7.66	+0.23	-
Ancillary Services	1.62	4.31	4.31	+2.69	-
Costs incurred addressing Dublin Security of Supply	-	12.50	9.38	+9.38	-3.13
Security of Supply	235.99	257.02	257.02	+21.04	-
FASS funding costs	0.97	2.05	2.05	+1.08	-
CEP	23.71	88.00	88.00	+64.29	-
DS3 SS	-	243.75	182.81	+182.81	-60.94
EU Regulation 838/2010 Compliance - Generator Payments	-	11.75	11.75	+11.75	-
LCIS	-	35.27	22.40	+22.40	-12.87
Total External Costs	**278.34**	**676.27**	**599.34**	**321.00**	**-76.93**

Cost Items	2027 PR6 FD	TSO Allowance Request	Allowance	Delta (Allowance - PR6 FD)	Delta (Allowance – TSO Request)
Interconnection					
EWIC revenue recovery	-	-54.12	-54.12	-54.12	-
Interconnector services	1.08	1.03	1.03	-0.05	-
Celtic Debt Service costs	5.06	16.16	16.16	+11.09	-
Celtic ICO OpEx Costs	-	9.10	-	-	-9.10
Greenlink Non-Controllable Opex[37]	-	-	-0.50	-0.50	-0.50
Total Interconnection Costs	**6.14**	**-27.84**	**-37.43**	**-43.58**	**-9.60**
Other Adjustments					
FD/DD Adjustment	5.47	-	-	-5.47	-
Guarantees of Origin	-	0.41	0.41	+0.41	-
Land Acquisition	-	1.35	1.35	+1.35	-
Frontier Shift Adjustment	4.74	4.74	4.74	-	-
Total Other Adjustments	**10.21**	**6.5**	**6.5**	**-3.72**	**-**
Total Onshore	**584.99**	**946.60**	**858.60**	**+273.62**	**-88.00**
TSO Offshore Costs (OAO)					
Operating Costs					
Offshore Internal	78.32	78.32	78.32	-	-
Frontier Shift Offshore	2.05	2.05	2.05	-	-
Total Operating Costs	**80.36**	**80.36**	**80.36**	**-**	**-**
Depreciation and RAB					
Offshore Depreciation	1.00	1.00	1.00	-	-
Offshore RAB	7.37	7.37	7.37	-	-
Total Depreciation and RAB	**8.36**	**8.36**	**8.36**	**-**	**-**
Total OAO Costs	**88.73**	**88.73**	**88.73**	**-**	**-**
Total (2027 prices)	**673.72[38]**	**1,035.33**	**947.33**	**+273.62**	**-88.00**

F.2 Details on Cost Items

Below are further details of cost item allowances as shown in the table above. Details provided for allowances which have a delta either with the PR6 Final Determination or with the network company allowance request.

1. Return on Other Working Capital (€9.22m, 2027 prices)

The TSO's allowance request of €10.68m has been adjusted to account for updated calculation inputs, including: three months of FASS in 2027 (instead of 12 months) and the updated 2027 TAO allowed revenues.

[37] In the TSO transmission revenues approval letter (CRU2026113) Greenlink non-controllable opex costs were noted as an adjustment in the k-factor, however it has since been determined that these revenues should flow through 2027 instead.

[38] Slight difference versus Table 4 due to updated inflation used within the working capital facility fees calculation.

2. **Inter TSO Compensation (€7.59 million, 2027 prices)**

An amount of €7.59m has been included in the TSO's 2027 revenue allowance for costs attributable to Inter TSO Compensation.

This cost is established by ENTSO-E for the purpose of compensating transmission system operators for the costs of losses incurred by national transmission systems as a result of hosting cross-border flows of electricity and the costs of making infrastructure available to host cross-border flows of electricity. EirGrid has observed a notable rise in import volumes over recent years, with 2026 levels so far (at the time of the submission) having sustained at a high level which are expected to persist.

3. **CORESO Subscription (€1.74m, 2027 prices)**

Following this year's review, an amount of €1.74m has been allowed as part of the TSO's 2027 revenue for costs attributable to the membership of the Regional Security Coordinator.

4. **Regulatory levy (€4.62 million, 2027 prices)**

The CRU levy is applied annually and following this year's review, an amount of €4.62m has been allowed as part of the TSO's 2027 revenue.

5. **DUoS costs (€7.66 million, 2027 prices)**

ESB Networks DAC, as DSO, has provided the TSO with a forecast DUoS charge for its DG10 110 kV accounts of €7.66m. The CRU has allowed this amount as part of the TSO's 2027 revenue.

6. **Ancillary Services (€4.31m, 2027 prices)**

Following this year's review, an amount of €4.31m has been allowed as part of the TSO's 2027 revenue for costs attributable to Ancillary Services.

This figure includes forecasts for blackstart and secondary fuel testing. Reasons for movement since PR6 include the inclusion of a secondary fuel testing forecast (which the TSO notes is difficult to forecast for a number of factors) and an update to the Blackstart placeholder value included in PR6.

7. **Dublin Security of Supply (€9.38m, 2027 prices)**

The Dublin Security of Supply cost category relates to costs associated with the implementation and ongoing delivery of the mitigation measures set out in CRU/18/228. While the TSO's request of €12.5m was based on twelve months, as discussed in Section 2.4.3.1 the CRU has provided an allowance for nine months instead of twelve. Therefore €9.38m has been allowed as part of the TSO's 2027 revenue to cover the cost of Locational Scalar payments.

8. **Security of Supply (€257.02m, 2027 prices)**

Discussed in Section 2.4.3.1.

9. **FASS Funding Costs (€2.05m, 2027 prices)**

This revenue is to support additional rolling capital facilities to manage FASS. The main reason for the increase in these costs since PR6 is due to the delay in FASS go-live. The PR6 submission was based on the facility being put in place in 2026, with a larger amount allocated to that year than subsequent years. EirGrid expects to put this facility in place in advance of FASS go-live which is now expected to be in 2027.

10. CEP (€88m, 2027 prices)

Discussed in Section 2.4.3.1.

11. DS3 System Services (€182.81m, 2027 prices)

Discussed in Section 2.4.3.1.

12. EU Regulation 838/2010 Compliance – Generator Payments (€11.75m, 2027 prices)

Part B of Commission Regulation (EU) No 838/2010 requires that average annual charges paid by producers fall within specific limits, €0 to €2.5/MWh for Ireland. This average is calculated by dividing the total transmission charges paid by producers by the total energy they inject into the system annually. These are known as G-TUoS Tariffs in Ireland.

Following breaches to the limit in 2022/23 and 2023/24, the SEM Oversight Committee approved EirGrid's proposal to collect the amount above the €0 - 2.5/MWh limit from D-TUoS. In the absence of an amendment to the limit in the Regulation or a change to all-island G-TUoS methodology, further breaches were anticipated in the absence of the SEM Oversight Committee's decision.

EirGrid proposes an €11.75m adjustment to be recovered from demand customers reflecting the required refund to G-TUoS customers for the tariff year 2024/25. Given the requirement to restore balance in the charges faced by generators, the CRU has allowed this in full.

13. LCIS (€22.40m, 2027 prices)

Discussed in Section 2.4.3.1.

14. EWIC Revenue Recovery (-€54.12m, 2027 prices)

Discussed in Section 2.4.3.1.

15. Interconnector Services (€1.03m, 2027 prices)

Following this year's review, an amount of €1.03m has been allowed as part of the TSO's 2027 revenue for costs attributable to Interconnector Services.

These costs include administrative costs, the error account and SO trades. The costs are annually forecasted by EirGrid reflecting the agreed ROI 75%.

16. Celtic Debt Service Costs (€16.16m, 2027 prices)

CRU's Celtic Regulatory Framework (CRU202213) allows the TSO to recover efficient debt and liquidity costs during the development and construction phase. The TSO is expecting

these costs to amount to €16.16m in 2027 and the revenue requirement has been adjusted accordingly.

17. Celtic Interconnector Opex Costs (no allowance)

Discussed in Section 2.4.3.3.

18. Greenlink Non-Controllable Opex (-€0.50m, 2027 prices)

This provisional value relates to non-controllable opex as detailed in CRU202570. Although it was not submitted as part of EirGrid's annual submission, the CRU has calculated this value as part of the Greenlink Cap and Floor process and notified EirGrid. This payment is due because the outturn non-controllable opex expenditure was below the baseline set at the Greenlink Price Control Review.

19. FD/DD Adjustment (no allowance)

It has been agreed with the TSO that instead of using this adjustment from the PR6 Final Determination, the related costs will be recovered through the k-factor in the usual manner.

20. Guarantees of Origin (€0.41m, 2027 prices)

In the CRU's decision paper CER/11/824 entitled 'Supervisory Framework for Administration of Guarantees of Origin' for renewable energy sources, it was set out that the operational costs and costs involved in setting up a charging infrastructure for Guarantees of Origin, would be recovered through EirGrid's network charges.

Following this year's review, an amount of €0.41m has been allowed as part of the TSO's 2027 revenue.

21. Land Acquisition (€1.35m, 2027 prices)

In 2018, the CRU directed the TSO to acquire a suitable landbank in the Dublin area. A site was successfully identified and was acquired in 2020. The costs are to be recovered as a side RAB over a 15-year period with the regulatory determined cost of capital.

An amount of €1.35m has been allowed as part of the TSO's 2027 revenue.