



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

An Coimisiún um Rialáil Fóntais
Commission for Regulation of Utilities

Clean Export Guarantee

Enduring Arrangements for Remuneration of Microgeneration Exports

Consultation Paper

Consultation Paper

Reference:	CRU2023112	Date Published:	19/09/2023	Closing Date	03/11/2023
-------------------	------------	------------------------	------------	---------------------	------------

Executive Summary

This consultation paper proposes changes to the interim arrangements currently in place for microgeneration – referred to as the Interim Clean Export Guarantee (“Interim CEG”). The retail market for electricity is undergoing a transformation which will enable all electricity customers to become more active. Customers will be able to produce, export and store energy as well as partake in demand side and flexibility schemes. Policy surrounding the remuneration of customers for their exported electricity from microgeneration is a critical component of this transformation.

The Interim CEG, which provides for customers to be remunerated for exported electricity, has been operating since mid-2022. The number of customers receiving payment through the Interim CEG has been steadily increasing, with the majority of these customers installing PV systems. There are some aspects of the current arrangements which were deliberately implemented as interim measures. This was done to deliver a solution as soon as possible that would commence paying customers for their exported electricity. The Interim CEG is paid based on exports recorded by a customer’s smart meter, but it also provides remuneration based on a calculated “deemed” export quantity to customers whose legacy meter has not yet been upgraded to a smart meter.

When the decision on the Interim CEG was published, the CRU signalled its intention to carry out a review of the arrangements after twelve months of operation. This consultation paper incorporates that review as well as proposing a number of amendments for the enduring solution for generation.

The purpose of this consultation is to elicit comments from customers and stakeholders on the CRU’s proposed amendments. Following this consultation, the CRU will publish a decision to put in place enduring arrangements which are fully integrated with Central Market Systems for retail electricity and to require improved minimum standards of service that energy suppliers must provide.

The Consultation examines several key areas in relation to how the interim arrangements have functioned and proposes amendments. One of these areas is whether the competitive approach to CEG tariff setting has functioned. At present, the CEG export tariffs offered by electricity suppliers range¹ from €0.14 to €0.25 per kWh and the CRU has not received customer complaints in relation to the level of CEG rates on offer. While there are additional measures proposed in the consultation to increase competition, the CRU has not identified an issue with the level of the CEG rates currently being offered and as a result, there are no proposed changes to the current competitive tariff setting arrangements for export tariffs.

The consultation also reviews the interim arrangements in relation to deemed payments for exporting customers. The CRU’s review examines the eligibility for deemed exports set out in the original decision as well as the determination or calculation of deemed exports. In relation to the eligibility criteria, our review identified issues in relation to the application of the policy that had caused some issues for consumers. Therefore, we have included some proposed changes to simplify the approach and make it fairer for customers. In terms of the calculation, the CRU has not identified any significant issues. Given the fact that the number of customers receiving payments based on the deemed formula should decrease further as the roll out of smart meters continues, the CRU is still of the view that the formula is proportionate and practicable. Therefore,

¹ Based on export tariffs offered on suppliers’ websites on 1 September 2023.

the CRU proposes to retain the current formula and parameter values for the calculation of any deemed export quantity.

Another area examined was the arrangements for how suppliers are settled in the wholesale markets for the exported electricity which they procure from their customers. This paper outlines how suppliers are currently settled financially 13 months after the time-of-export and identifies several issues with this approach. It is recognised that this approach was necessary to deliver a solution as quickly as possible, but the CRU proposes that the market settlement timeline and process for export should mirror settlement processes and timelines which apply for import.

In conjunction with the Interim CEG policy decision, the CRU also published a non-binding guidance document for suppliers. The Guidance provides a common baseline for suppliers as regards the standard of service the CRU expects from suppliers when remunerating customers for export. While the guidelines have been broadly successful in setting out the standards of service, our review of the operation over the last 12 months has identified some shortcomings on account of the voluntary nature of the guidance. Therefore, the consultation proposes several changes in relation to customer protections for exporting customers. These are focused on areas such as the frequency of payments to customers, the information to be provided on bills as well as improving transparency of CEG rates for customers. The CRU proposes updates to the Suppliers' Handbook to ensure that there is an obligation on suppliers to apply the proposals.

The paper examines the issue of whether customers should be able to contract with separate suppliers for their imports and exports. This is considered in the context of changes required in the Clean Energy Package. The CRU recognises that the introduction of an ability for customers to contract separately for import and export will have a significant impact on the Retail Market and that it will take a number of years to deliver those changes. However, we are proposing that customers will be able to choose suppliers separately for the purchase of imported electricity and the sale of exported electricity.

Finally, the paper examines the structure of the current CEG tariffs offered by suppliers and considers the benefits of time-of-export tariffs. While the CRU would like to see the introduction of time-of-export tariffs, we do not intend to make any requirement for suppliers to offer such a tariff. However, the views of stakeholders are being sought in relation to the benefits of time-of-export tariffs, any obstacles to their introduction and whether there should be any mandate for suppliers to offer time-of-export tariffs.

This consultation document should be read in conjunction with the CRU's current regulatory policy for *Remuneration of Renewables Self-consumers for exported electricity: Interim Clean Export Guarantee* ([CRU21131](#)) as is referenced throughout.

CRU Strategic Plan 2022-24

Our Mission <ul style="list-style-type: none">• Protecting the public interest in water, energy and energy safety.	Our Strategic Priorities <ul style="list-style-type: none">• Ensure Security of Supply• Drive a Low Carbon Future• Empower and Protect Customers• Enable our People and Organisational Capacity
Our Vision <ul style="list-style-type: none">• Safe, secure and sustainable supplies of energy and water, for the benefit of customer now and in the future	

Public/Customer Impact Statement

At the time of the introduction of the Interim CEG in 2022, there were an estimated 30,000 customers who had microgeneration installed². The vast majority of these installations were solar photovoltaic (PV). Only a small share of these 30,000 customers were receiving payment for any electricity they exported to the grid. The introduction of the Interim CEG in 2022 has enabled customers with microgeneration to be paid for their excess exported electricity.

Since that time, there has been a large increase in the number of customers with microgeneration and now there are over 60,000 customers being paid for their exported excess electricity. Of this total, more than 50,000 customers already have smart meters installed and are paid based on the actual metered amount of electricity that they export, as recorded by their smart meter. The remaining 10,000 customers with microgeneration do not yet have a smart meter and are being paid based on a calculated “deemed” quantity of export.

As the roll out of smart meters continues, the number of exporting customers that receive payments based on deemed exports will continue to reduce. Within a couple of years, nearly all customers will be able to get paid for their actual exported electricity, which will be recorded by a smart meter. However, there will be a small number of cases where a deemed payment is still required. This paper proposes a simpler approach to decide if a customer can receive a deemed payment. The CRU also plans to keep – without change - the current approach and formula to determine what such a customer’s payment for deemed export is.

This paper proposes stronger requirements in terms of the minimum standards of service that energy suppliers must follow. There are proposed changes in terms of the frequency of payments and the information on bills. The CRU also proposes changes to make it easier for customers to find the CEG tariff rates offered by suppliers.

Another change the CRU is considering is whether customers should be able to sell their electricity exports to a different energy supplier to the one that they buy their electricity from.

Finally, we are asking questions about whether customers should be offered export tariffs that have different rates at different times of the day. Conceptually, this would be structured in a similar manner to the time-of-use tariffs for demand that are already available to those customers with a smart meter installed.

² Refer to Section 5.2.2 of Ricardo’s report *“Economic and policy advice to support the design and implementation of the new microgeneration support scheme in Ireland”* to DECC informing the Microgeneration Support Scheme.

Table of Contents

Glossary of Terms and Abbreviations	6
1. Introduction	7
1.1 Background and Context	7
1.2 Scope of the review and enduring CEG	8
1.3 Related Documents.....	9
1.4 Structure of this paper.....	9
1.5 Responding to the CRU.....	10
2. Legislation	11
2.1. Regulations & Definition	11
2.2. Renewable Energy Communities	11
3. Competitive Export Tariffs	13
3.1 Competitively priced CEG tariffs.....	13
4. Deemed Export	15
4.1 Eligibility for Deemed Export.....	15
4.2 Determination of Deemed Export Quantities	18
5. Settlement Solution for Exports	20
5.1 Timely Settlement for Exported Electricity	20
6. Strengthening Minimum Levels of Service	22
6.1 Minimum levels of service	22
7. Multiple Suppliers	25
7.1 Contracting with multiple suppliers.....	25
8. Dynamic Export Tariffs	27
9. Next Steps & Timeline	29
Appendix A	30
Appendix B	32

Glossary of Terms and Abbreviations

Abbreviation	Meaning
CEP	Clean Energy for all Europeans Package
DECC	Department of the Environment, Climate and Communications
CEG	Clean Export Guarantee
ESBN	ESB Networks
IMED	Internal Market for Electricity Directive: Regulation (EU) 2019/944
MEC	Maximum Export Capacity
MPRN	Meter Point Reference Number
MSS	Microgeneration Support Scheme
NSMP	National Smart Metering Programme
PV	Photovoltaic
RED & REDII	Renewable Energy Directive
SEMO	Single Electricity Market Operator
RMDS	Retail Market Design Service

Terms

The following are the meanings for terms used in this consultation. Note that the terms may have different meanings in other contexts.

“**microgeneration**” – unless specified otherwise – is used for convenience to convey all of the ranges of generation capacity falling within the scope of “micro-, mini- and small-scale generation”: refer to Appendix A of CRU21131 for applicable capacity bands.

“**demand**” and “**import**” are used interchangeably with the meaning that it is electricity which is drawn from the grid.

“**consumption**” of a customer with microgeneration differs from demand or import in that it also includes a share of own generation which is consumed in addition to the electricity which is imported.

“**self-consumption**”, for an active customer, means the electricity generated or stored by the customer which is consumed by the customer.

“**export**” relates to the surplus electricity from a customer’s generator or battery which is injected back to the grid.

“**stored**” electricity is self-generated or imported electricity which is not consumed instantaneously but is stored by the customer in a battery for self-consumption or export at a later time.

1. Introduction

This consultation document should be read in conjunction with the CRU's current regulatory policy for *Remuneration of Renewables Self-consumers for exported electricity: Interim Clean Export Guarantee* (CRU21131) as is referenced throughout.

1.1 Background and Context

European Union (Renewable Energy) Regulations 2022³ is the legal basis which underpins the provision of remuneration to renewables self-consumers for their exported electricity. It entered into force in Ireland on 15th February 2022. The CRU's regulatory framework for the Interim CEG, as currently applies, includes interim arrangements⁴ - administered largely outside of the retail electricity market Central Market Systems – which enable renewables self-consumers to be paid by their supplier for excess renewable electricity they export to the grid. Payments commenced in Q4 2022 to the first cohort of renewables self-consumers for their exported electricity. As of July 2023, more than 60,000 customers were receiving payment for their exported electricity.

In the 2021 decision (CRU21131) on policy for Interim CEG, the CRU expressed its intention to phase-in enduring arrangements for CEG:

CRU considers that these [interim] arrangements for CEG must align with the phased delivery of the National Smart Metering Programme (NSMP) which will see the installation of over two million smart meters in three phases, over a six-year period (2019 – 2025). Smart services are also being introduced in a phased manner, with an enduring microgeneration solution scheduled for delivery at the end of Phase 3 of the NSMP which will be fully integrated into the retail and wholesale Central Market Systems used by suppliers, ESNB and SEMO.

In its decision paper on the Interim CEG, the CRU signalled its intention to carry out a review of the arrangements after twelve months of operation of the CEG, to include:

- consideration of the level of export tariffs available in the market, including whether export tariffs are broadly consistent with a 'market value'.
- reporting on the tariffs offered by suppliers to assess whether market value is obtained by customers availing of the CEG tariffs.
- the input parameters for the calculation of the deemed export quantity; and
- the practicality of more timely settlement than at M+13⁵.

³ [S.I. No. 76 of 2022](#)

⁴ The necessary amendments to retail market systems were completed by ESNB in Q2 2022 in order to share export data with SEMO to effect the settlement of suppliers via semi-automated, interim arrangements, largely outside of Central Market Systems.

⁵ Financial settlement for suppliers for the aggregated export volumes which they procure from their customers is largely accomplished outside of Central Market Systems via interim wholesale market mechanisms. "M+13" indicates that the settlement is carried out in conjunction with the final settlement "rerun" for each supplier's aggregated demand which occurs 13 months after the initial settlement run.

For the purpose of the review of the operation of the interim CEG, the CRU has also been informed through a number of sources, including:

- analysis of the level of export tariffs on offer by suppliers;
- monitoring of customer queries and complaints to the CRU⁶;
- feedback received from suppliers at a workshop in April 2023, specifically focused on reviewing the operation of the Interim CEG arrangements;
- monitoring of weekly data provided by ESBN on the uptake of microgeneration and on the installation of smart meters for customers with microgeneration who are eligible to receive one; and
- ad-hoc engagements with ESBN on implementation aspects of microgeneration and as relate to the rollout of smart meters.

Based on the work undertaken in our review and engagement with internal and external stakeholders as described above, the CRU proposes a number of changes which are detailed in Sections 3,4,5, and 6 of this Consultation. In addition, in order to be consistent with the requirement⁷ in the Clean Energy Package for customers to be able to have more than one electricity supply contract at the same time, the CRU proposes that customers have the possibility to contract separately with suppliers for import and export.

Finally, in line with the introduction of Time-of-Use tariffs on the demand side, the CRU proposes the potential introduction of Time-of-Export payments as a facilitator of greater customer awareness and positive, proactive, flexible interactions with the power system.

1.2 Scope of the review and enduring CEG

The framework for the CEG policy is to give effect to regulations⁸ which mandate that renewables self-consumers be remunerated for the surplus electricity which they export to the electricity network.

The scope of this exercise is to review the operation of the Interim CEG remuneration arrangements which have operated since the passing of the enabling legislation in February 2022. The review looks to identify and resolve shortcomings of the Interim CEG arrangements and give consideration to regulatory requirements in order to comply with the Clean Energy Package. This review and consultation will inform the CRU's enduring arrangements based on operational experience and learnings over that period.

Considerations around support schemes, and associated support tariffs, are a matter for Government and are outside of the scope of this consultation.

⁶ Refer to CRU's Customer Care Team' report: *Quarterly Insights Report Q1 and Q2 2023* ([CRU202412](#)), microgeneration queries accounted for 5% of overall customer contacts to the CRU in the first half of 2023. Queries included: eligibility to receive export payments; when they would receive their first payments; and what arrangements apply for deemed export payments for customers with day/night meters. Refer also to Section 6.1 of this Consultation for a summary of some of the issues customers highlighted to the CRU.

⁷ Article 4 of IMED requires that "all customers are free to have more than one electricity supply contract at the same time, provided that the required connection and metering points are established."

⁸ S.I. No. 76 of 2022: European Union (Renewable Energy) Regulations 2021

1.3 Related Documents

- DECC: Climate Action Plan 2023: [LINK](#)
- CRU Decision: *Remuneration of Renewables Self-consumers' exported electricity: Interim Clean Export Guarantee* [CRU21131](#)
- CRU Decision: *Non-binding Guidance to Electricity Suppliers on implementation aspects of Interim Clean Export Guarantee* [CRU202207](#)
- CRU Information Paper: *Roadmap for the Clean Energy Package's Electricity and Renewables Directives*, June 2023 [CRU202350](#)
- CRU consultation: *Call for evidence on Energy Communities and Active Consumers* [CRU20099](#)
- DECC, Microgeneration Support Scheme (MSS) Final Scheme Design, January 2021: [LINK](#)
- CRU, Proposed Decision on Smart Meter Data Access code ([CRU202387](#)), July 2023 ([LINK](#))
- CRU's 2020 Microgeneration Information Paper [CRU20174](#)
- ESBN's Microgeneration Framework Consultation, May 2020: [LINK](#)

1.4 Structure of this paper

Section 1 – Introduction provides the context for the review of the Interim CEG policy and clarifies the scope of this paper and how to respond to this consultation.

Section 2 – Legislation provides updated information on the legislative context.

Section 3 – Competitive Export Tariffs assesses the export tariffs offered by suppliers in the context of reflecting market value.

Section 4 – Deemed Export considers the continued applicability of the deemed quantity where a smart meter has not yet been installed.

Section 5 – Settlement Solution for Suppliers proposes more timely arrangements for the settlement of suppliers' financial positions.

Section 6 – Strengthening Minimum Levels of Service proposes minimum levels of service to be provided by suppliers when remunerating customers for export.

Section 7 – Multiple Suppliers proposes the possibility of separate import and export contracts with suppliers.

Section 8 – Dynamic Export Tariffs proposes the possibility of innovative export tariffs, including time-of-export tariffs.

Section 9 – Next Steps and Timeline outlines the steps which will follow on from this consultation and an indicative timeline for implementation.

Appendix A collates all of the CRU's prompted questions from all sections of this consultation paper, in order to facilitate responding.

1.5 Responding to the CRU

This paper is for the attention of all members of the public, electricity suppliers, ESNB and stakeholders in the electricity industry. It will be of particular interest to microgenerators and active customers.

The CRU welcomes comments on this consultation to be submitted via email to cleanexportremuneration@cru.ie by 03 November 2023.

Responders are requested to make reference to the questions as per the numbering in each section of this consultation. In order to facilitate responding, Appendix A collates all of the CRU's prompted questions from all sections of this consultation paper.

Unless marked confidential, all responses from companies or organisations may be fully published on the CRU's website. Respondents may request that their response is kept confidential. The CRU shall respect this request, subject to any obligations to disclose information. Respondents who wish to have their responses remain confidential should clearly mark the document to that effect and include the reasons for confidentiality.

Respondents should note that all material held by the CRU, including confidential consultation submissions, are subject to the Freedom of Information Act 2014 ('FOI Act') and the European Communities (Access to Information on the Environment) Regulations 2007 to 2014 ('AIE Regulations'). Therefore, such submissions may potentially be released in response to requests made under the FOI Act and the AIE Regulations.

Responses from identifiable members of the public will be anonymised prior to publication on the CRU website unless the respondent explicitly requests their personal details to be published.

The CRU privacy notice sets out how it protects the privacy rights of individuals and can be found [here](#)⁹.

⁹ <https://www.cru.ie/privacy-notice/>

2. Legislation

2.1. Regulations & Definition

The authority to design, establish and publish a framework to give effect to the entitlement of renewables self-consumers for remuneration for export was conferred upon the CRU through the transposition into Irish law of Articles 21 and 22 of the Renewable Energy Directive (REDII). At the time of determination in December 2021 of the Interim CEG policy (CRU21131) the transposition of these articles was still pending. Regulations subsequently introduced in February 2022 under S.I. 76 of 2022, transposing the REDII articles, are cited as “European Union (Renewable Energy) Regulations 2021”.

Considering that eligibility for remuneration via the CEG hinges around the definition of renewables self-consumer, it is notable that the regulations include a refinement of the definition of ‘renewables self-consumers’ as follows:

European Union (Renewable Energy) Regulations 2021 defines ‘**renewables self-consumer**’ as:

... a final customer operating within its premises located within confined boundaries or, where so provided for in rules made by the Commission in that regard under Regulation 10, within other premises, who generates renewable electricity for its own consumption, and may store and sell self-generated renewable electricity, provided that, for non-household renewables self-consumers, those activities do not constitute their primary commercial or professional activity.

The only change from CRU21131 is that the following clause in the transposed legislation “*where so provided for in rules made by the Commission in that regard under Regulation 10*” replaces “*where permitted by a Member State*” in the Directive. Currently, no such ruling has been made by the CRU.

2.2. Renewable Energy Communities

The CRU’s framework for Interim CEG puts into place arrangements which provides for payment to renewables self-consumers¹⁰ from their electricity supplier for the electricity which they export to the grid. The Interim CEG (CRU21131) states that:

“The arrangements which will apply to renewable energy communities are separate to the arrangements in this decision”.

¹⁰The CEG applies to all renewables self-consumers, as defined. Note that – depending on the context - references to “microgeneration” generally fall within the scope of “renewables self-consumers”, as is defined in European Union (Renewable Energy) Regulations 2021.

The CRU notes that DECC's Small-Scale Renewable Electricity Support Scheme (SRESS)¹¹ refers to Renewable Energy Communities with an upper capacity limit of 6MW.

Energy Communities are eligible for remuneration via the CEG tariff if they satisfy the criteria for eligibility¹², including meeting the definition – in legislation – of Renewables Self-Consumer. There is not a specific upper limit to the capacity of the generation which is eligible for remuneration via the CEG.

¹¹ Small-Scale Renewable Electricity Support Scheme (SRESS), High Level Design, 2023.

¹² Refer to Section 2.3 of CRU21131.

3. Competitive Export Tariffs

The CRU signalled its intention in the Interim CEG decision in 2021 to assess – after 12 months of operation of the mechanism – whether the export tariffs on offer since the launch of the Interim CEG are broadly consistent with a ‘market value’.

In setting an initial floor price of zero to apply from the commencement of the Interim CEG in February 2022, the CRU expected that market prices would – on average – be significantly in excess of zero and that the market-based, competitive, export tariffs offered by suppliers would reflect this. The CRU also signalled that *“depending on the behaviour of suppliers and customers in the first twelve months, the CRU may reconsider whether a floor is appropriate and whether for the remainder of the interim CEG or for the enduring arrangements.”*

3.1 Competitively priced CEG tariffs

3.1.1 Interim CEG tariff setting and market value

In developing the Interim CEG arrangements, the CRU recognised that suppliers may wish to develop innovative and competitive export tariff offerings which reflect the market value in different ways and that the import and export tariffs which suppliers offer their customers depend on the pricing and hedging strategies of each individual supplier. For the Interim CEG, the CRU put in place arrangements which reflect a competitive approach to CEG tariff setting, such that suppliers set their own export tariffs. At present, the CEG export tariffs offered by electricity suppliers range¹³ from €0.14 to €0.25 per kWh exported.

Separately, the issue of customers being tied to an export tariff offering on account of being tied-in to a contract with their supplier for their import is dealt with in Section 7.1.

3.1.2 CRU proposes no change to export tariff setting

The existing Interim CEG arrangements provide suppliers with flexibility to develop differentiated and innovative export tariff offers in the context of a competitive supply market. Over the past year, the CRU Customer Care Team has received a number of queries and complaints¹⁴ in relation to microgeneration and the interim CEG. Some of these complaints have been in relation to timings of payments, but the export rates have not been a major issue for customers.

Up until the introduction of the Interim CEG in 2022, an estimated 30,000 domestic and business customers had microgeneration installed¹⁵ of which only a small percentage were receiving payment for the electricity they exported to the grid. The high electricity prices experienced by customers in 2022 and 2023 have increased the value to end customers of the electricity produced by microgeneration on two fronts: firstly, by reducing the cost of imported electricity by the amount of their production that they self-consume, and secondly by benefitting from the additional

¹³ Based on export tariffs offered on suppliers’ websites on 1 September 2023.

¹⁴ Refer also to Footnote 6 on Page 8.

¹⁵ Refer to Section 5.2.2 of Ricardo’s 2020 report *“Economic and policy advice to support the design and implementation of the new microgeneration support scheme in Ireland”* providing advice on DECC’s Microgeneration Support Scheme.

remuneration for their export, as introduced via the Interim CEG in 2022. These benefits have been a key contributory factor in the uptake of microgeneration, with approximately 60,000 customers currently being paid for their exported excess electricity.

Given the spread of offerings from suppliers and the lack of complaints raised by customers, the CRU does not see an issue with the level of the CEG rates currently being offered by suppliers. On that basis, the CRU proposes no change to the current competitive tariff setting arrangements for export tariffs and that the floor price of zero shall continue to apply. However, the CRU will retain the ability to review the current arrangements at any point in the future.

The CRU proposes no change to the current competitive export tariff setting arrangements and that the floor price of zero shall continue to apply.

Question: 3.1 Do you agree with the CRU's proposal to continue with a floor price of zero?

Please provide the rationale for your position or for any alternatives you propose.

4. Deemed Export

The criteria which currently apply to eligibility for remuneration for export is set out in Section 2 of CRU21131, including whether remuneration is to be based on metered export data or on the basis of a deemed export quantity¹⁶. The CRU has received a number of complaints and queries through our CRU Customer Care Team and other channels that indicate that the eligibility arrangements for deemed payments have created some issues. In particular, the complexities surrounding the commencement and cessation of the eligibility of exporting customers for remuneration on the basis of a deemed quantity and linkage to the wait period for a smart meter have resulted in some customers experiencing issues.

4.1 Eligibility for Deemed Export

The ambition of the NSMP is to replace all legacy meters with smart meters and therefore, as the roll-out of smart meters continues the requirement for deemed exports will be significantly reduced. However, for the moment there is still a need for deemed exports and there will be some circumstances in the future where deemed will continue to be necessary. Therefore, the CRU proposes that the eligibility criteria for deemed payments will continue to apply to exporting customers to the extent that the criteria remain relevant. The deemed calculation will continue to be applied in certain circumstances, including:

- a) prior to smart meter installation, where ESBN is not yet able to offer or install a smart meter upgrade, and:
- b) post smart meter installation, where there are gaps in the smart meter export data collected by ESBN.

To-date, the NSMP has used ESBN's "Networks-led" approach to the deployment of smart meters. This has been at the core of the targeted "area-by-area" deployment by ESBN in their planning and roll out of smart meters for Phase 1 and Phase 2 of the NSMP. The smart meter deployment initially focused on those customers with legacy meters who are on a standard 24-hour tariff. As the nationwide smart meter roll out progresses, other meter types and configurations will become eligible in stages for upgrade to a smart meter.

Therefore, it is necessary to consider the two key categories of customer: firstly, those that are currently eligible (MCC01) to have a smart meter installed and therefore not eligible for deemed. And secondly, those that are not yet eligible for smart meters yet and therefore eligible for deemed.

4.1.1 Customers with 24hr MCC01 meter configuration

Customers on 24hr tariff (MCC01) with legacy meters are currently eligible for a smart meter installation as part of the Networks-led deployment approach. Under current policy, these customers are ineligible¹⁷ for payment for their exported electricity on the basis of a deemed export

¹⁶ Refer to Section 2.3.2 of CRU21131 for eligibility criteria as applies to remuneration on the basis of calculated deemed export quantities.

¹⁷ Subject to the criteria in Section 2.3.2 of CRU21131.

quantity calculation. The CRU notes that the vast majority of customers on a 24hr tariff¹⁸ who are exporting now have a smart meter and are being paid based on their metered export. When an MCC01 customer installs microgeneration and does not yet have a smart meter, they can make a request to ESBN to have one installed. ESBN should install that meter within a four-month period.

Given the increase in the number of customers with microgeneration, not all customers who have requested a smart meter have had it installed within the four-month timeline. This is an issue that has been raised with the CRU through customer contacts and through other channels. While the issue with delays in the installations of smart meters are being addressed by ESBN, in order to eliminate this issue arising in the future, the CRU is proposing a change in approach.

The CRU is proposing that all exporting customers will be eligible to receive deemed payment where they have met the other necessary criteria, but where ESBN has not yet installed a smart meter upgrade. Further clarification on this proposed change is set out below.

4.1.2 Customers who do not-yet have a smart meter

As part of the programme for the national roll-out of smart meters, those customers who still have legacy meters will become eligible – in stages – for installation of a smart meter as part of ESBN's deployment approach under the NSMP. For instance, as part of the programme for the national roll-out of smart meters, customers with legacy meters on Day/Night tariffs (i.e., MCC02 configuration) became eligible in September 2023 for installation of a smart meter as part of ESBN's deployment approach under the NSMP.

Currently, under the Interim CEG, exporting customers on Day/Night (and with MCCs other than MCC01) are eligible for deemed export quantity arrangements as part of the ESBN's Networks-led deployment approach under the NSMP. However, they cease to be eligible for calculation of deemed export quantities four months after they become eligible for a smart meter installation¹⁹. The CRU intends to amend this approach in order to ensure that customers remain eligible to receive deemed payments as long as they facilitate ESBN in having a smart meter installed.

CRU's proposed change

In order to simplify the basis for eligibility for remuneration on the basis of a deemed quantity, the CRU proposes that ESBN will continue to provide deemed²⁰ export data to the electricity supplier of all customers who have registered their capacity via the NC6 form and do not-yet have a smart meter and that the customers be remunerated by their supplier on the basis of that quantity. The CRU proposes that this will apply to all customers from whatever implementation date that may be set out in the final decision of the CRU. For the avoidance of doubt, this will not apply retrospectively.

The exceptions to this proposed change – and therefore ineligible for deemed - are where a customer has been offered a smart meter and either: a) refused to have the smart meter installed;

¹⁸ More than 50,000 exporting customers had switched from legacy MCC01 24hr meters to smart meters by July 2023 and are being remunerated for their exported electricity. based on the half-hourly metered export quantities.

¹⁹ The related excerpt from CRU21131 is: *“Where the meter type becomes eligible for replacement under the NSMP, the CRU expects that customers will remain on deemed for a maximum of four months.”*

²⁰ See also Section 4.3 “Determination of Deemed Export Quantities”

or b) has not facilitated ESBN with access within a reasonable timeframe in order to install a smart meter. Further details are set out below.

Referring to Section 2.3.2 of CRU21131 for the eligibility criteria, as applies to remuneration on the basis of calculated deemed export quantities, the following amended criteria are proposed by the CRU:

Eligibility criteria as applied to deemed export arrangements

To be eligible for remuneration based on deemed export quantities, a renewables self-consumer must meet the following criteria:

- the renewables self-consumer must meet the definition²¹ included in European Union (Renewable Energy) Regulations 2021; and
- the renewables-self consumer must have installed microgeneration and must have informed²² ESBN via a declaration using the NC6 or equivalent form²³; and
- have not yet had a smart meter installed by ESBN; and,
- the renewable self-consumer must not have refused the installation of a smart meter or must not have formally communicated to ESBN that they will not accept a smart meter installation; and
- where eligible for a smart meter, must facilitate ESBN in having a smart meter installed²⁴

For ease of reference, the proposed track-changes to the current Interim CEG criteria are provided in Appendix B.

²¹ For ease of reference, the definition of renewables self-consumer is included in Section 2.1 of this document.

²² Renewables self-consumers who previously installed microgeneration but did not inform ESBN should do so using the NC6 form in order to become eligible.

²³ For the majority of customers this is the NC6 form, but for certain customers this may be an NC7 form, etc. Refer to Appendix A of CRU21131 for details.

²⁴ For clarification, this means where ESBN has made at least six attempts to arrange the installation of a smart meter or where ESBN determined that the customer has not facilitated the installation. A customer will become ineligible for deemed export where a smart meter has not been installed within four months after the original planned installation date.

For application as soon as it can be implemented, the CRU proposes that all renewables self-consumers who export electricity and do not yet have a smart meter, and who have not refused one, shall be eligible for payment for their export on the basis of the deemed quantity.

Question 4.1(a): Do you agree with this simplified proposal for eligibility for deemed?

Question 4.1(b): Are there any other aspects of this matter which need to be considered?

Please provide the rationale for your position or for any alternatives you propose.

4.2 Determination of Deemed Export Quantities

4.2.1 Current arrangements re Deemed Quantities

Where customers are eligible for remuneration under the deemed export arrangements, the methodology set out by the CRU is used to determine the deemed export quantities for which these customers will receive payment. For details of the determination of deemed export quantities for Interim CEG, refer to Section 3.2 of CRU21131.

The CRU recognised in the original decision that the formula is simple and will not reflect the specific characteristics of individual technologies but considered the approach to be proportionate and practicable in the context of the interim arrangements. While the CRU has received a small number of requests in relation to the formula over the past year, seeking that specific technologies be reflected, there have not been any major concerns raised about the original approach.

Given the fact that the number of customers receiving payments based on the deemed formula should decrease further as the roll out of smart meters continues, the CRU is still of the view that the formula is proportionate and practicable.

4.2.2 CRU's proposal for the deemed formula for enduring CEG

The CRU proposes to retain the current formula for deemed²⁵ to calculate the deemed export quantity, notably:

$$\text{Deemed Export Quantity} = \text{MEC} \times \text{Capacity Factor} \times \text{Export Factor} \times \text{Provision Interval}$$

The CRU's considerations around changes to the parameters in the formula are outlined below.

4.2.3 MEC & other parameters in the calculation of deemed

The CRU has analysed aggregated monthly metered export data representing customers with microgeneration and smart meters over a 12 month-period²⁶ and has found that – on average – the Deemed Quantities calculated using the formula would have resulted in 15% lower deemed export quantity for those customers. This comparison is only representative of the customers who currently have smart meters: in other words, customers who had MCC01 configurations and were

²⁵ Refer to Box 3 and Section 3.2 of CRU21131.

²⁶ Aggregate metered export data for all exporting customers with smart meters from September 2022 to August 2023 inclusive.

on 24hr import tariffs. The vast majority of customers receiving deemed payments have other meter configurations such as Day/Night and three-phase. These cohorts of customers are likely to have different consumption and export profiles than the customers who now have smart meters. Likewise, the percentage of the electricity they produce which they export may be different. As there is no smart meter data available for the customers on Deemed, it is not possible for the CRU to precisely assess the accuracy of the 35% export factor or the Deemed calculation for them.

The CRU recognised in the interim decision paper that there are residual imperfections in the calculation and application of the deemed export arrangements. In the absence of directly applicable consumption and export data for customers on deemed, the CRU is of the view that the existing formula and parameters, including the currently applied export factor of 35%, are proportionate and practicable in the circumstances and do not warrant being amended. Hence, the CRU proposes no change.

With reference to Section 3.2.3 of CRU21131, the CRU's proposals on each of the parameters of the formula are set out below.

Parameter	CRU's proposal
MEC	The CRU proposes no change.
Capacity Factor	The CRU proposes to retain 9.7% as the capacity factor to apply to all technologies.
Export Factor	The CRU proposes to retain 35% as the export factor for all customer bands and categories.
Provision Interval	The CRU proposes no change.

In the absence of a smart meter, the use of a deemed calculation introduces inaccuracies in payments for export for customers and in settlement for suppliers. In order to mitigate any potential disadvantage on account of being on a deemed quantity calculation, customers with microgeneration can request to have a priority installation of a smart meter.

For suppliers, the share of aggregate deemed quantities is expected to be relatively low compared with the total aggregate export quantities (metered plus deemed) and is likely to progressively reduce as smart meters proliferate. Accordingly, any error introduced in suppliers' financial settlement on account of deemed should likewise reduce.

For the enduring solution, the CRU proposes that the existing formula and parameter values for the determination of the deemed export quantity will continue to be applied to all technology types.

Question 4.2: Do you agree with this proposal?

Please provide the rationale for your position or for any alternatives you propose.

5. Settlement Solution for Exports

The settlement solution for the Interim CEG involves the gathering and sharing – by ESBN – of metered export quantities and deemed quantities with suppliers and with the wholesale electricity market operator, in order to settle suppliers’ financial positions in the market.

5.1 Timely Settlement for Exported Electricity

5.1.1 Summary of arrangements for settlement for Interim CEG

At present, suppliers are not settled financially, in the same timeframe and manner as applies to customers’ imported electricity, for the microgeneration exports they procure from their customers. For the Interim CEG, wholesale market settlement for suppliers is transacted via M+13 resettlement as part of the settlement rerun which occurs 13 months after the initial settlement run. This means that suppliers are not paid in the market for exports until up to 13 months after the exports happen.

In contrast, when it comes to electricity demand or imports, each supplier’s aggregated demand volumes are substantially settled in the initial settlement run or ‘M+4’ run. The interim CEG arrangements for settlement are administered – for the most part – outside of the Central Market Systems. After the 13 months, each supplier is credited for the aggregate export procured from its customers through a semi-manual market mechanism. The export volumes, which include aggregated metered and deemed amounts, are netted off the suppliers’ total demand volumes.

In 2021, the CRU acknowledged the temporary nature of this stop-gap mechanism for the Interim CEG and indicated (in CRU21131) that an earlier settlement run would be considered in the design of the enduring solution. In the interim, the settlement arrangements have created some difficulties in terms of the frequency and timing of payments to microgeneration customers. Therefore, the CRU is still of the view that an earlier settlement run should be introduced.

5.1.2 Settlement for the Enduring CEG

CRU proposes that the market settlement timeline and process for export, as currently operates at M+13 under the Interim CEG arrangements, should mirror settlement processes and timelines which apply for import. This will result in more timely reimbursement of the costs to the supplier of off-taking surplus exported electricity from its customers.

This change would mean that suppliers are paid in the market for exports much closer to the time in which the exports happen. This, in turn, would facilitate payments by suppliers at the same frequency as billing for imports.

The reduced timelines between customers’ exports and suppliers’ settlements would also facilitate the offering of “time-of-export” tariffs (refer to Section 8) that reflect the value of those exports to the system at different times of the day.

The CRU does recognise that a change in the settlement process to bring exports in line with imports will require a significant change in terms of IT systems and this may take some time to deliver. Therefore, any decision of the CRU to introduce such a change is independent of the timelines for delivery and the CRU would engage separately with ESNB in relation to implementation timelines.

The CRU proposes that the market settlement timeline and process for export, as currently applies at M+13 under the Interim CEG arrangements, should mirror the settlement processes and timeline which apply for import.

Question 5.1(a): Do you agree with this proposal?

Please provide the rationale for your position.

6. Strengthening Minimum Levels of Service

6.1 Minimum levels of service

6.1.1 Interim non-binding CEG Guidance to Suppliers

The current framework for the Interim CEG – as is currently in place until superseded by new enduring arrangements – is limited to an “interim solution”. Due to the interim nature of this framework, the Electricity and Gas Suppliers’ Handbook²⁷ was not amended: this was identified as a potential deliverable of the enduring solution for CEG.

Suppliers are required to have a Customer Charter as well as a number of Codes of Practice covering Marketing and Advertising, Customer Sign Up, Billing, Disconnection, Vulnerable Customers, Pay-As-You-Go Metering and Budget Controllers, Complaint Handling and Smart Services. These requirements, which provide significant customer protection measures, are set out in the CRU’s Suppliers’ Handbook. There is not – as yet – a requirement for suppliers to have a charter specifically relating to exported electricity.

In the absence of comprehensive amendments to the Suppliers’ Handbook to cater for the exporting of electricity by renewables self-consumers, suppliers must still comply with the overarching principles outlined in the handbook. These were supplemented for the Interim CEG with the CRU’s non-binding “*Guidance to Electricity Suppliers on implementation aspects of Interim Clean Export Guarantee*” ([CRU202207](#)), in order to provide a common baseline for customers as regards the standard of service they can expect from suppliers.

Over the past twelve months, the CRU has received a number of contacts²⁸ from customers in relation to microgeneration. Some of these contacts related to customer services issues associated with microgeneration and some related to issues on billing/remuneration. Some of the issues customers highlighted were:

- Difficulty in finding suppliers CEG rates on their websites,
- Uncertainty over payment dates and frequency of payments for exports,
- A lack of clarity/information on the bills received. This includes a lack of clarity on the dates for which payments were being applied, the number of units included and the CEG rate being applied.

The customer service issues are broadly covered by existing requirements within the Supplier Handbook²⁹, but some of the issues regarding the transparency of the CEG and the level of information provided on the bill for export payments indicate that the Guidance approach has not

²⁷ Electricity and Gas Suppliers' Handbook, Version 4.2 – March 2023 ([CRU202324](#)). The handbook is revised from time to time. For the latest version, refer to CRU’s website.

²⁸ Refer also to Footnote 6 on Page 8.

²⁹ [CRU202324](#) - Electricity and Gas Suppliers' Handbook 2023

been sufficient in all cases. In addition to customer feedback, the CRU received feedback on the Guidance at an industry workshop held in April. Taking into account all of the feedback we have received to date, we are proposing a number of changes in relation to customer protections for exporting customers.

6.1.2 CRU's Proposal re guidance and binding requirements relating to export

The CRU proposes that the existing non-binding guidance will remain in place in order to convey to electricity suppliers the level of service which should be provided to their customers when remunerating them for exported electricity. The overarching principles in the Suppliers' Handbook require suppliers to *"make every effort to treat energy customers in a fair, honest, transparent appropriate, reasonable, equitable and professional manner"* and these principles will continue to apply as well as any amendments on foot of this consultation.

The CRU proposes to strengthen aspects of the CRU's existing non-binding guidance to suppliers in order to establish and maintain minimum levels of service that licensed energy suppliers must meet for exporting customers. This includes marketing and advertising, frequency of payments and payment information.

Below are the specific requirements the CRU proposes to escalate from "guidance" by inclusion in the next update to the Suppliers' Handbook.

Information relating to payment for export

The CRU proposes that the remuneration frequency be more regular and that additional export-related information be clearly displayed to customers. Both of these requirements would be mandated by insertion into the Suppliers' Handbook:

Frequency of Remuneration

In order to allow sufficient time for Interim CEG to be implemented, the CRU did not set a mandatory frequency for ongoing payments for export, as the interim settlement solution did not credit suppliers for the generation procured from their customers until after being settled via M+13 "resettlement" for the aggregate export which accrued to them.

In order to rectify unnecessarily lengthy delays experienced by customers in receiving payment for export, the CRU proposes that suppliers' payment/crediting frequency for export be aligned with existing bills/statements issued to a customer for imported electricity.

If adopted, the CRU proposes that the above requirements will apply and must be implemented by suppliers 4 months after the date of CRU's decision on Enduring CEG.

Remuneration Details

Export payments must be clearly communicated to customers by their suppliers. Whether it is for customers with a smart meter or customers receiving deemed payments, the following proposals will apply.

The credit/payment for export is to be implemented for customers as a credit that is transparent and clearly visible on a customer's bill.

The CRU is proposing that Section 4.6.3 of the Supplier Handbook is amended to reflect the following additional information to be included on applicable bills or statements:

- y. Period to which the payment for exports relates to and the date of issue.
- z. Clear calculations of the payment to be made for electricity exported (giving energy units exported in kWhs, the export tariff in cents/kWh, etc. where appropriate).

If adopted, the above requirements would be added as requirements in Section 4.6.3 of the Suppliers' Handbook the next time that it is updated. The CRU proposes that the above requirements will apply and must be implemented by suppliers 4 months after the date of CRU's decision on Enduring CEG.

Transparency of Export Tariffs

Section 2.2.5 of the suppliers' handbook states that *"Suppliers are required to publish all publicly available tariffs for household customers on their website. Suppliers should ensure that the tariff page bears a self-explanatory title such as Tariffs, includes all publicly available tariffs and is easily identifiable and accessible from a prominent position on the home page of their website. The CRU considers good practice where customers can access the tariffs page from the suppliers' homepage with no more than two mouse clicks"*.

The CRU's position is that the requirement, as set out in Section 2.2.5 applies to the CEG tariff as well. Therefore, in order to clarify this, we are proposing the underlined text below as an amendment to Section 2.2.5:

"Suppliers are required to publish all publicly available tariffs, including export tariffs, for household customers on their website. Suppliers should ensure that the tariff page bears a self-explanatory title such as Tariffs, includes all publicly available tariffs and is easily identifiable and accessible from a prominent position on the home page of their website. The CRU considers good practice where customers can access the tariffs page from the suppliers' homepage with no more than two mouse clicks".

For the avoidance of doubt, the export tariff must be presented clearly and transparently and in the same text and font size as for other tariffs.

If adopted, the above amendment would be made to Section 2.2.5 the next time that the Supplier Handbook is updated. The CRU proposes that the above requirements will apply and must be implemented by suppliers 4 months after the date of CRU's decision on Enduring CEG.

The CRU proposes that the Suppliers' Handbook be amended to incorporate particular export-related requirements in order to strengthen minimum levels of service that licensed energy suppliers will be required to comply with in their interactions with exporting customers.

Question 6.1(a): Do you agree with this proposal?

Question 6.1(b): Do you agree with the timelines proposed?

Question 6.1(c): Are there other level-of-service aspects which need to be strengthened?

Please provide the rationale for your position.

7. Multiple Suppliers

7.1 Contracting with multiple suppliers

The Clean Energy Package envisages customers being able to have multiple suppliers. Article 4 of IMED, transposed through S.I. No. 20 of 2022, requires that all customers shall be free to “*have more than one electricity supply contract at the same time, provided that the required connection and metering points are established*”. Similarly, Article 13 of IMED, transposed via S.I. No. 366 of 2022, states that customers shall be free to “*purchase and sell aggregation, other than supply, independently from their electricity supply contract and from an electricity undertaking of their choice*”.

Compliance with these requirements would be facilitated by introducing changes that enable customers to contract with multiple suppliers, including separate suppliers for imports and exports.

7.1.1 Current arrangement: export contract tied with import

Currently, a connection for a renewables self-consumer has a single Meter Point Reference Number (MPRN) associated with a single smart meter which records both import and export separately. The contract between a supplier and a customer for import is currently tied with the export. Consequently, under the Interim CEG solution, the customer can only choose a single supplier for both imported and exported electricity and can only switch import and export together to another supplier.

The current arrangements limit the choice of customers seeking to avail of the most competitive tariffs, encompassing both import and export. If customers were able to have a separate supplier for imports and exports, it would have a positive impact in terms of the competition in the market. It may also create opportunities for new market entrants who focus on aggregation or exports only, which may bring further competition to this space.

7.1.2 CRU's Proposal re: separation of import and export

As part of the enduring CEG microgeneration policy, the CRU is considering whether market changes should be introduced to facilitate the separation of contracted import from contracted export. This change would enable customers to have separate service providers for import and export. Hence, customers could have one supplier for their imported electricity, and a separate supplier for their exported electricity.

Having separate suppliers for import and export would bring many benefits to customers, including:

- Unbundling import and export facilitate the offering of new export-focused products and enhances competition;
- Provide greater choice for exporting customers. They could select different suppliers for imports and exports or have a bundled product with one supplier. Customers would have the choice and be able to avail of the most attractive tariffs and terms for them.
- It would facilitate the ability for exporting customers to engage with aggregators; and
- Could potentially support the customer to engage with other entities/activities such as renewable energy communities, energy sharing, etc.

7.1.3 Impact of separating export from import

The introduction of an ability for customers to contract separately for import and export would have significant impact on the Retail Market. Implementation would entail amending multiple market processes as well as requiring significant changes to market systems. Some of the work to be undertaken and areas potentially impacted include the following:

- Widespread changes to Market Systems, entailing fundamental changes to the data model, to core design principles as well as data flows, interfaces, and processes;
- Review of market processes and supporting market documentation;
- Determine which processes can be instigated by the import supplier versus export suppliers;
- Potential changes to the Retail Market Assurance Strategy and Process;
- Suppliers to put in place separate or additional billing/crediting arrangements for the export;
- The allocation of network charges, both fixed and variable.

The delivery of such a change would take a number of years to complete. Any decision to introduce such a change would also need to take into account the ongoing work associated with the National Smart Metering Project as well as other market changes required as a result of the Clean Energy Package. Therefore, this consultation is primarily considering whether such a change should be introduced, rather than considering the timeline. However, the CRU welcomes any views that respondents may have on timelines for such a measure, including any feedback as regards impacts on the rights of customers and customer protection measures.

The CRU proposes that customers will be able to choose suppliers separately for the purchase of imported electricity and the sale of exported electricity.

Question 7.1(a): Do you have views about the introduction of this reform for customers?

Question 7.1(b): Do you have a view as regards when this capability should be introduced?

Question 7.1(c): Are there any other aspects of this matter which need to be considered?

Please provide the rationale for your position.

8. Dynamic Export Tariffs

To date, the standard electricity tariff in Ireland has been either the flat/24hr tariff or a day/night tariff. However, with the introduction of smart meters, we are now seeing a growth in the uptake of time-of-use tariffs. The transition to time-of-use is an important element of the smart meter upgrade and will play a crucial role in Ireland's energy future by reducing costs and making supply more resilient and secure. Time-of-use tariffs provide more-impactful economic signals to the end customers, encouraging consumers to move electricity consumption away from times of high prices to times when prices are lower and there is more renewable electricity generation.

However, in the same way that time-of-use tariffs provide signals for customers to change their consumption, time-of-export tariffs could encourage customers to export at times when there is a greater need on the system and prices are higher. This could have benefits for the electricity system and for customers in terms of the rates they could receive.

8.2.1 Interim CEG & fixed-rate export tariffs

To date, since the launch of the Interim CEG in December 2021, each supplier has offered a fixed-rate CEG export tariff to its customers. Many microgeneration customers have batteries installed in their home that may allow them some discretion as to when they export electricity to the grid. In the future there may also be more customers that have Vehicle-to-Grid (V2G) capability, which will provide the same possibility. An issue that arises from having a single fixed-rate CEG tariff for customers with a battery or V2G capability is the lack of incentive for these customers to optimise the combination of their self-consumption and export.

8.2.2 Offering time-of-export tariffs

Consistent with the CRU's broader development of enabling frameworks for active customers and energy communities, the CRU recognised in the December 2021 policy paper for the Interim CEG that:

"Suppliers may wish to develop innovative and competitive offerings which reflect the market value in different ways".

The introduction of time-of-export tariffs would be a progressive step in this regard. The time-of-export tariffs could be introduced with set rates applying to different times of the day, in line with the current structure of the standard smart tariff which has a day, night and peak rate. In this case the higher export rate would be set at the peak time, encouraging customers to export during those peak hours when demand is highest and the system needs are greatest. Alternatively, a time-of-export tariff could be more dynamic, with rates that change more regularly to reflect movements in the wholesale market prices.

Whether a time-of-export tariff has set time bands and rates or is more dynamic, it would provide benefits both for the customer in terms of their ability to maximise the payments they receive, but also for the wider system by encouraging greater flexibility.

As outlined above, settlement for exports does not take place until up to 13 months after the export has occurred. This means that suppliers do not receive payments for their customers' exports until that time. This delay does not facilitate suppliers to offer time-of-export tariffs. As the market develops and the settlement timelines are brought in line with imports, suppliers may become more willing to offer time-of-export tariffs. If there was a separation of import and export, this may

encourage new market entrants with innovative products. However, as outlined above, should the decision be taken to require this separation, it will be some time before it can be implemented.

While the CRU would like to see the introduction of time-of-export tariffs, we do not intend to make any requirement for suppliers to offer such a tariff. The CRU has previously required that suppliers offer a standard smart tariff to encourage the uptake of time-of-use tariffs. This is something the CRU could consider in future for the export side also.

For the enduring solution, the CRU does not propose to mandate time-of-export tariffs.

Question 8.1(a): Do you agree with the proposal?

Question 8.1(b): Do you see the value in time-of-export tariffs?

Question 8.1(c): Do you see any obstacles to suppliers offering time-of-export tariffs?

Question 8.1(d): Will the ability for customers to sign up with a separate supplier for export facilitate the introduction of time-of-export tariffs?

Question 8.1(e): Should the CRU mandate that time-of-export tariffs be offered by all suppliers?

Question 8.1(f): Are there any other aspects of this matter which need to be considered?

Please provide the rationale for your position or for any alternatives you propose.

9. Next Steps & Timeline

Whilst the proposed arrangements are for an enduring solution, the CRU is conscious that the regulatory framework for active customers is evolving. The future envisaged by the Clean Energy Package will enable active customers to engage in a much broader spectrum of activities relating to electricity, including buying and selling electricity through a number of contracted suppliers, generating and exporting, storing, sharing, participating in demand side reduction or flexibility or aggregation schemes, availing of support tariffs, etc.

The implementation timeline for the different elements of the Enduring CEG will depend on the final decisions taken, as well as the interaction with the work of the National Smart Meter Programme and the implementation of the Clean Energy Package. The existing Interim CEG arrangements and policy will continue to apply until and unless superseded by implementation of discrete elements of the enduring CEG policy.

While the decision to be published following this consultation is intended to provide clarity on how microgeneration will operate in the Irish market, given the evolving nature of energy markets at present, the CRU may need to conduct further reviews of the arrangements for CEG in the future.

The CRU welcomes responses to this consultation, which is open until 03 November 2023. Refer to Section 1.5 for details.

After considering the responses to this consultation, an enduring policy surrounding the remuneration of renewables self-consumers will be decided on by the CRU in Q1 2024.

Appendix A

Collated Consultation Questions

For ease of responding to this consultation, the prompt questions in each section are collated in this Appendix. Responders are invited to provide commentary to the CRU on any aspect of regulatory policy within the scope of this consultation, as is set out in Section 1.2.

Responders should not feel limited by these questions as long as their comments are within the scope of this consultation.

Responders should read Section 1.5 “Responding to the CRU”. When responding, please cite the question reference numbers below and provide the rationale for any alternative views or proposals.

The CRU proposes no change to the current competitive export tariff setting arrangements and that the floor price of zero shall continue to apply.

Question: 3.1 Do you agree with the CRU’s proposal to continue with a floor price of zero?

For application as soon as it can be implemented, the CRU proposes that all renewables self-consumers who export electricity and do not yet have a smart meter, and who have not refused one, shall be eligible for payment for their export on the basis of the deemed quantity.

Question 4.1(a): Do you agree with this simplified proposal for eligibility for deemed?

Question 4.1(b): Are there any other aspects of this matter which need to be considered?

For the enduring solution, the CRU proposes that the existing formula and parameter values for the determination of the deemed export quantity will continue to be applied to all technology types.

Question 4.2: Do you agree with this proposal?

The CRU proposes that the market settlement timeline and process for export, as currently applies at M+13 under the Interim CEG arrangements, should mirror the settlement processes and timeline which apply for import.

Question 5.1(a): Do you agree with this proposal?

Question 5.1(b): Are there any other aspects of this matter which need to be considered?

The CRU proposes that the Suppliers' Handbook be amended to incorporate particular export-related requirements in order to strengthen minimum levels of service that licensed energy suppliers will be required to comply with in their interactions with exporting customers.

Question 6.1(a): Do you agree with this proposal?

Question 6.1(b): Do you agree with the timelines proposed?

Question 6.1(c): Are there other level-of-service aspects which need to be strengthened?

The CRU proposes that customers will be able to choose suppliers separately for the purchase of imported electricity and the sale of exported electricity.

Question 7.1(a): Do you have views about the introduction of this reform for customers?

Question 7.1(b): Do you have a view as regards when this capability should be introduced?

Question 7.1(c): Are there any other aspects of this matter which need to be considered?

For the enduring solution, the CRU does not propose to mandate time-of-export tariffs.

Question 8.1(a): Do you agree with the proposal?

Question 8.1(b): Do you see the value in time-of-export tariffs?

Question 8.1(c): Do you see any obstacles to suppliers offering time-of-export tariffs?

Question 8.1(d): Will the ability for customers to sign up with a separate supplier for export facilitate the introduction of time-of-export tariffs?

Question 8.1(e): Should the CRU mandate that time-of-export tariffs be offered by all suppliers?

Question 8.1(f): Are there any other aspects of this matter which need to be considered?

When responding to any of the questions, please provide the rationale for your position or for any alternatives you propose.

Appendix B

Criteria for Deemed – Track Changes

For ease of reference, the CRU's proposed track-changes to the current Interim CEG criteria³⁰ for eligibility for remuneration on the basis of deemed export quantities are provided below.

Eligibility criteria as applied to deemed export arrangements

To be eligible for remuneration based on deemed export quantities, a renewables self-consumer must meet the following criteria:

- the renewables self-consumer must meet the definition³¹ included in ~~REDII~~ **European Union (Renewable Energy) Regulations 2021**; and
- the renewables-self consumer must have installed microgeneration and must have informed³² ESBN via a declaration using the NC6 or equivalent form³³; and
- ~~their meter type is not eligible for a smart meter installation as part of the ESBN led deployment approach under the NSMP at this time~~ **have not yet had a smart meter installed by ESBN; and,**
- the renewable self-consumer must not have refused the installation of a smart meter or must not have formally communicated to ESBN that they will not accept a smart meter installation; and
- **where eligible for a smart meter, must have facilitated ESBN in having a smart meter installed³⁴.**
- ~~or they are eligible for a smart meter installation but unable to have a smart meter installed for other reasons outside of their control.~~

Section 4.1.2 of this consultation paper presents the clean version of the above amended criteria.

³⁰ Referring to Section 2.3.2 of CRU21131.

³¹ For ease of reference, the definition of renewables self-consumer is included in Section 2.1 of this document.

³² Renewables self-consumers who previously installed microgeneration but did not inform ESBN **using the NC6 form** should do so in order to become eligible.

³³ For the majority of customers this is the NC6 form, but for certain customers this may be an NC7 form, etc. Refer to Appendix A of CRU21131 for details.

³⁴ **For clarification, this means where ESBN have made at least six attempts to arrange the installation of a smart meter and determined that the customer has not facilitated the installation. A customer will become ineligible for deemed export where a smart meter has not been installed within four months after the original planned installation date.**