

127 Baggot Street Lwr. Dublin, D02 F634

Date 21st March 2022

By email to: <u>GSMRConsultation@hse.gov.uk</u>

RE: EAI Response to the HSE Consultation: CD291 – Revision of the Gas Safety (Management) Regulations 1996

Dear Sir/Madam

The Electricity Association of Ireland (EAI) is the representative body for the electricity industry operating within the Single Electricity Market (SEM) on the island of Ireland. Our ambition is to contribute to the realisation of a decarbonised society powered by electricity. We believe that this can be achieved, in the overall interest of society, through competitive markets that foster investment and innovation. EAI welcomes the opportunity to respond to the HSE consultation CD291.

Introduction

The EAI believe that the proposed changes to gas quality specification in Great Britain will likely have consequential impacts on the island of Ireland over the next number of years. As the representative group for generators operating in the Single Electricity Market (SEM), the Electricity Association of Ireland (EAI) represents some of the largest gas shippers and users on the island of Ireland. Our members have concerns over the potential impacts of these changes on the operation of gas fired generation units, as well as over the governance process associated with overseeing these changes.

Based on the information presented in the consultation, there is concern that the potential changes will impact and compromise the performance of gas-fired generators in Ireland and that these impacts have not been considered in the impact assessment carried out to date. Ireland is at the end of the gas pipeline and in the absence of clarity as to the downstream impacts, it is imperative that we highlight the likely impacts of this change on Irish gas generation. Ireland has a well-established framework for the receipt of UK gas and the changes that occur in gas quality have a direct impact in Northern Ireland and the Republic of Ireland. In light of the formalised arrangements that govern the conveyance of gas across from Moffat to the island of Ireland, there is a responsibility to ensure that changes are well-communicated¹.

A decarbonised future powered by electricity

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¹ EAI's report 'Our Zero e-Mission Future' authored by researchers at UCC MaREI looks at the configuration of the all-island power system in 2030 based on achieving the target of 70% renewable electricity consumption by 2030



It must also be recognised that there is a much higher dependence on gas-fired generation in Ireland than that which pertains in GB. This reliance is set to increase given: (i) the transition to net zero that will see, for example, the closure of coal fired generation in Ireland that will largely be replaced by gas fired generation, and (ii) the security of supply issue signalled recently by the Irish government ² that will likely require significant new gas fired generation to be commissioned and (iii) The highly constrained nature of the Single Electricity Market (SEM) that relies directly on several gas-fired generators in the constraint areas of Dublin and Northem Ireland.

Impact on Gas Users in Ireland

There is a lack of clarity on whether such changes will penetrate the Irish Network system via Moffat, and, if these changesgo ahead, when this would result in changes to the physical quality of the gas that enters the Irish Gas Network system. Communication and clarification around this, is crucial given the timing and extent of the system and generating unit modifications that will be required to minimise the risk of failure of generators in Ireland - this may vary significantly depending on whether the actual quality of the physical gas delivered to Ireland changes gradually and can be forecast or, at the other end of the spectrum, if, for example, it will vary across the Wobbe index range on a daily basis.

Where the gas quality does change then the impacts from the proposed changes include the following:

- Changes to emissions levels per unit of production (given lower quality gas within the new Wobbe Index range). Gas-fired generators in Ireland are bound by the requirements of the EU industrial Emissions and large Combustion plant Directives as regulated by the EPA (Environment Protection Agency) and where our operation changes our emissions, this will have a direct impact on our running regimes and licensing under the EPA. Licence reviews with the EPA take a minimum of two years before a revised licence may be granted and issued. We would expect similar restrictions and requirements for NI and UK emissions regulation and licensing
- Security of supply issues may arise where generation units interact with different gas compositions that cause units to trip off. In the SEM the risk of this cascading means there is a heightened risk to the system compared with GB. We understand that our UK generator counterparts have relayed similar concerns as well as the extent of works and costs required to alleviate concerns on similar machines. We urge the HSE to take that information into

² 205779 2cead2c2-e83b-4e15-bd02-a90804e0674a (1).pdf link to Government statement on Security of Supply 2021



consideration before finalising decisions and timelines around these proposed changes.

- Similarly, long maintenance outages required to update hardware and software (where possible) to allow for this new widened Wobbe Index (this will likely take some time) will give rise to significant impacts on security of supply and generator costs.
- Any potential breach of the Original Equipment Manufacturer's acceptable range due to new gas composition, may undermine the guarantee of performance and invalidate equipment warranties for the generation units affected or equipment damaged.
- Commercial impacts, such as affecting delivery on System Services contracts or additional outage since it is unclear how units will perform on the gas eligible within the new Wobbe Index. It is also likely that there will be increased ongoing maintenance costs as a result of the need for additional generating unit maintenance arising from increased wear and tear that would be caused by a change in gas quality.
- The implementation period for any changes would need to take account of the time required for regulatory authorities and market participants to collaborate and work through the assessment and mitigation of this change.

Interaction with the HSE

Given the potential impacts outlined above, the EAI is concerned that there is insufficient awareness and consideration being given to changes in gas quality specifications on gas users in Ireland. Therefore, EAI members request assurance from the HSE that any evolution of the composition of gas supplied to Irish consumers will include the necessary studies and engagement with large gas users to ensure that gas may continue to be safely used by directly connected users, without causing disruption or damage to their operations. A critical first step in this process is for clarification and clear communication on whether the proposed changes to the gas quality will penetrate the Irish Network system via Moffat. Accordingly, we would request formal engagement on this matter following the conclusion of this consultation. In any event should these proposed changes proceed in whole or in part, to avoid the negative implications listed above, we ask that implementation timelines are agreed in strong collaboration with affected users including Irish all-island electricity market participants. We suggest that a lead time of a minimum 4 years is required.



The EAI is happy to engage with the HSE on any of the issues above. If you have any questions or require any additional information, please do not hesitate to contact me.

Yours Sincerely,

Dara Lynott CEO Electricity Association of Ireland