Response to Eirgrid and SONI consultation

DS3 System Services Qualification Trial Process

18th July 2016



Introduction

Solo Energy is a new 100%-renewable energy supplier business launching in Ireland and the UK in 2016. Solo believe that energy storage technology can provide the solution to the problem of renewable intermittency and that distributed energy storage will change our energy landscape and pave the way for a full decarbonisation of our energy system. Solo Energy has applied to the CER for a supplier license and intends to be operational in the Irish market in Quarter 3 2016.

General Comments and Clarification Queries

Solo strongly supports the objective of the DS3 System Services approach of facilitating '*a range of new technology classes to provide these services'* and welcomes the consultation on the DS3 System Services Qualification Trials which seeks to give effect to this objective. Solo notes that the TSOs are open to '*new service providers and technologies that can demonstrate capability*'. Solo intend to be such a service provider and is confident that it will be able to demonstrate capability of its system service product offerings.

Solo would like clarification around the meaning of '*representative*' system services. Is this to be interpreted as meaning that if the technology is successful in providing a '*representative*' service in a trial that it qualifies as a service which can be offered across all services in that category e.g. if a trial for a POR service is successful may the provider offer all services including SOR and TOR 1&2 for that technology? If not, do the TSOs intend to extend the Trial process to cover all services required?

Solo is happy with the thrust of these Trials which seeks to encourage new providers and new technologies. Solo in particular welcomes the '*lower minimum threshold of 100kW'* for the '*other technologies trial*'. However, we are a little concerned that some of the trial specifications may not facilitate smaller new providers of system services e.g. a volume of 10MW of POR combined with a maximum service provision size of 5MW could mean only two relatively large providers would be trialled. Solo suggests that separate specifications should be used for smaller new entrants in the interest of fairness and to encourage competition. Solo suggests that 2MW of the volume in Trial 3 be reserved for smaller providers with a minimum service provision level of 100kW and a maximum of 500kW.

Similarly, it is noted that while it is proposed that there will be '*one Service Provider per service'* in the Measurability trials for each jurisdiction a Provider may be eligible in all three which could mean that only two (one in each jurisdiction) service providers are trialled. Solo believe that the TSOs should try to maximise (to six) the number of service providers. This could be done by adjusting the outcome of the assessment such that, if a provider was successful in all three trials, alternate suppliers (if available and on the same terms as the original service provider) would be chosen for the other two trials.

Solo Energy is unclear as to what the evaluation criteria are and the relative values of the criteria. Can the TSOs clarify if the proposed price for the service is one of the criteria and if so how is this weighted? It is assumed that the project plan and scope of work, expertise of the delivery team and method of interaction with the TSOs are also evaluation criteria. Solo requests the details of the criteria and the weighting of each one is published prior to the trials. Solo assume that compliance with all relevant health and safety, commercial and legal requirements will be matters of fact to be warranted by the successful provider but will not be subject to an evaluation by the TSOs. Clarity on this point is also requested.

Solo agrees with the TSOs proposal of a single one-off payment capped at €25,000 per service. Solo require clarification as to whether the payment is contingent on a successful trial i.e. that the service has qualified, or that the trial has been successful whether or not the service has qualified. Details on how this is decided i.e. what constitutes '*successful delivery'* and who decides this would be welcome.

Questionnaire

Responses to the individual questions are provided in the completed questionnaire attached.

DS3 System Services Consultation – Qualification Process

This questionnaire has been prepared to facilitate responses to the consultation. Respondents are not restricted to this template and can provide supplementary material if desired.

Please send responses in electronic format to DS3@eirgrid.com or DS3@soni.ltd.uk

Respondent Name	Killian O'Connor
Contact telephone number	(021) 500 7513
Respondent Company	Solo Energy Ltd

Note: It is our intention to publish all responses. If your response is confidential, please indicate this by marking the following box with an "x". Please note that, in any event, all responses will be shared with the Regulatory Authorities.

Response confidential ☐

The closing date for responses is Tuesday, 19 July 2016.

Question	*Response*
Consultation on Qualification Process	
Question 1: Do you agree that the Qualification Process should focus on both "Provenability" and "Measurability"?	Solo Energy agrees that the qualification process should focus on both Provenability and Measureability. As a potential new energy services provider Solo Energy wishes to ensure that its product offering is suitable and meets the product specification. Solo Energy is convinced that the services it can offer can be measured to the satisfaction of the TSOs and looks forward to confirming this through the trials.
Question 2: Do you agree that the Provenability Trials should focus on proving only two System Services, as representative of all System Services in those categories of System Services?	We agree that the Provenability Trials should focus on providing only two system services as representative of all System Services in those categories. However, if the TSOs interpret '*representative*' to mean that if the trials are successful for that service they would be successful for all services in that category, Solo Energy do not agree that this necessarily is the case for all technologies.
Question 3: Do you agree that the Provenability Trials should focus on the Reserve and Ramping categories of System Services?	Solo Energy agrees that Provenability Trials should focus on the Reserve and Ramping categories of system services.
Question 4: Do you agree that the technology classes targeted in the Provenability Trials should be wind, demand side and 'other technologies'?	Solo Energy agrees that the technology classes targeted in the Provenability Trials should be wind, demand side and '*other technologies'*. However further clarification is required as to definition of these categories.

Question 5: Do you agree that the Measurability Trials should be technology neutral?	Solo Energy agrees that the Measurability Trials should technology neutral.
Question 6: Do you agree with the proposed service provision volumes and proposed number of Service Providers to be included in the Provenability and Measurability Trials respectively?	Solo Energy agrees with the proposed service provision volumes and proposed number of service providers to be included in the Provenability and Measurability Trials. However, Solo Energy believes that the trials should seek to test as wide a range as possible of new technologies and opportunities should be given to new service providers to participate in these trials. This is particularly important as it is not known when the next trials are to be scheduled or what form they will take. Potential new entrants could be deterred from market entry and from trialling new system services. (see General Comments and Clarification Queries and responses to Q. 7 & Q.8).
Question 7: Do you agree with the minimum sizes of Providing Unit proposed for the Provenability trials?	Solo Energy agrees with the minimum size of Providing Unit proposed for the Provenability trials and particularly welcomes the minimum size of 100kW for '*other technologies trial*' . However, it will be difficult for smaller providers to compete with larger providers and Solo Energy suggests that 1MW of volume be reserved for smaller Providers with a minimum provision level of 100kW and a maximum of 500kW.
Question 8: Do you agree with the proposed evaluation criteria for the selection of participants to take part in the Provenability Trials?	We are unclear as to what the criteria are. Solo Energy request that the criteria and the weightings for each criteria be clarified prior to the commencement of the trials. (See General Comments and Clarification Queries)

Question 9: Do you agree with the proposed evaluation criteria for the selection of participants to take part in the Measurability Trials?	We are unclear as to what the criteria are. Solo Energy request that the criteria and the weightings for each criteria be clarified prior to the commencement of the trials. (See General comments and clarification queries)
Question 10: Given the stated aims of the Qualification Process, are there different criteria that would better achieve those outcomes than what is proposed here? If so, what are they and how will they work?	Solo Energy agrees that price, schedule of works, relevant experience of the delivery team and proposals for interacting with the TSO are good criteria. A weighting system would be useful for potential providers. Solo Energy accept that compliance with all relevant health and safety, commercial and legal requirements will be necessary and failure of a potential provider to evidence that these will be met may be grounds for not being selected for the trials. Clarity on what will be required to satisfy the TSOs in relation to these matters would be useful.