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Department of Enterprise, Trade and Employment
23 Kildare Street
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07 November 2023

EirGrid response to the Public Consultation on the development of a National Industrial Strategy for Offshore Wind

Dear Sir/Madam,

We write in response to the Department of Enterprise, Trade and Employment (DETE) Public Consultation on the development of a National Industrial Strategy for Offshore Wind.

As Transmission System Operator (TSO), EirGrid develops, manages, and operates the electricity transmission system in Ireland, including exploring and implementing opportunities for interconnection. In the recent Policy Statement on the Framework for Ireland's Offshore Electricity Transmission System, EirGrid's role as TSO was expanded to incorporate the operation and ownership of Ireland's offshore electricity transmission grid. As such, EirGrid has a significant and central part to play in the facilitation and delivery of Ireland's 2030 renewables targets and its longer-term carbon neutral ambitions.

Ireland has set domestic targets of 5GW offshore wind energy (OWE) by 2030, 20GW by 2040 and 37GW by 2050. Given that Ireland has a sea area seven times its land area, it has potential to become a global leader in offshore wind. To capture the economic benefits associated with this opportunity, Ireland should, at minimum, introduce significant local content requirements to protect its local supply chain and research & innovation initiatives from global competition.

However, it is important to note that establishment of local manufacturing plants or supplier clusters to drive local content requirements can only be effective if there is enough enduring scale to ensure cost competitiveness, reliability, and sustainability. Consideration should therefore be given to how Ireland can develop a National Industrial Strategy which unlocks its potential to be globally competitive, and in doing so, this will ensure that national needs can be met. It is in this context that we have provided responses under the themes below.

Closing the Supply Chain Gaps

The introduction of local content requirements (as a percentage of either capital or operational spend) would support the development of the OWE sector and would also

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support its environmental sustainability. Local content requirements should be balanced across materials, product supply, services, and manufacturing in such a way that supports Ireland's core strengths, focussing on elements of the supply chain where Ireland can be globally competitive, for example data and software services.

To fast-track the development of the OWE sector, there should be a particular focus on logistics (including for example, marshalling, staging, marine and warehousing) and port infrastructure as well as on software and data systems, which are needed locally but can be exported to assist UK and EU projects given Ireland's competence in this area.

Ireland is a leader in data and systems, with many global players present here. Unmanned and autonomous technology will be required to supply, service, inspect, survey, and monitor the health of OWE installations, potentially during development and construction, and certainly during operation. Consideration should be given to how Ireland's existing expertise in this area can be developed further to support global leadership.

Ireland also has a strong maritime and fishing heritage; the potential for this to be redeployed or developed in a way which supports the growth of OWE should be explored. Consideration should also be given to how Irish companies involved in other industries (for example, oil and gas) could expand or develop in the area of OWE, providing expertise on specific niche topics such as fisheries liaison, port engagement, client representation, ecological studies etc.

Ireland will have a demand for and should have a capability to deliver manufacturing and integration capabilities for offshore wind, potentially at a global scale. Floating offshore wind (including offshore substations) is an area of the supply chain which Ireland could seek to attract with a view to serving local and international markets. If successful in attracting investors, designers and builders, there could be significant opportunity to capture this fledgeling but blossoming sector.

Given its vast sea and wind resources, Ireland has the potential become both energy rich and a net exporter of power in the future. Therefore, the industrial strategy should consider attracting power transmission (transformation, cables, and power quality) and conversion (AC[1] to DC[2] to AC) Original Equipment Manufacturers (OEMs), their Research & Development, associated design, and automated manufacturing facilities, to serve national and European demand.

[1] Alternating Current
[2] Direct Current

We would encourage the introduction of measures to support Small-Medium Enterprise (SMEs) to compete successfully for OWE contracts in Ireland and abroad. Currently, lack of experience or capability in terms of public procurement and bid preparation is a known challenge which hinders capable SMEs and other supply chain partners from winning contracts. The UK's Fit for Offshore Renewables (F4OR)[3] is a strong example of a programme which has been developed to support the growth of a competitive and capable local supply chain; this programme offers training on opportunities and risks in the sector, advisory on value proposition and target market, networking, and capability building in core business management systems.

Consideration should be given to how Irish companies could be given access to seed funding to support activities in OWE. Supports for Irish companies to enter into joint ventures, alliances or cooperative arrangements with partners locally or internationally could be a way to take advantage of opportunities in this space at home and abroad.

Given that attracting the required talent and skills is a significant challenge within the supply chain already, tax breaks or other incentives could be considered as a way to attract the Irish diaspora living abroad to return to Ireland to work in the OWE sector, potentially also as a way to develop coastal communities.

Support for the education sector will be key for developing a successful OWE industrial strategy. Tertiary education will be required across a range of fields relevant to Offshore Renewable Energy Development (for example in engineering, software development, geographic, geological, legal, economic, and socio-economic disciplines). This should be supported by skills-based trade schools, industrial placement programmes and apprenticeship schemes in electrical, instrumentation and control, rotating machinery, medium and high-voltage electrical engineering, surveying, lifting & handling, maintenance & inspection techniques and technologies. Such measures would help to develop a workforce which could not only support Ireland's future OWE industry, but which would also be exportable.

Building Co-operation

As noted above, the development of clusters could be effective, however, only if there is enough enduring scale to ensure cost competitiveness, reliability, and sustainability. With this in mind, we would recommend the development of national rather than regional clusters to avoid intra-regional competition and loss of economies of scale.

[3] https://ore.catapult.org.uk/wp-content/uploads/2022/11/Case-Study-F4OR.pdf

Research, Development & Innovation

To develop Research, Development and Innovation capabilities, Ireland should consider the introduction of research centres or hubs, supported by industry-led programmes. Successful examples of this from other jurisdictions include the UK's Offshore Renewable Energy Catapult[4] and the Carbon Trust Offshore Wind Accelerator.[5]

Given Ireland's specific capabilities, a Centre of Excellence for Offshore Transmission and Interconnection could be established, with a focus on the following areas:

- Planning and consenting best practice
- Plant design, constructability, maintainability, and reliability
- Lightweight high and medium voltage equipment design
- AC/DC conversion technology
- Cable installation and repair technology
- Positive environmental design
- Plant condition monitoring, data-analysis, and predictive analytics
- SCADA[6] design
- Outage and intervention excellence
- Unmanned and autonomous intervention technology

We welcome the opportunity to respond to this Public Consultation. We look forward to the outcome and are available for further engagement with DETE, and other stakeholders, as required, as we work together on the further development and enhancement of the plans to deliver the commitments outlined in the Climate Action and Low Carbon Development (Amendment) Act 2021, the Climate Action Plan 2023, the Policy Statement on the Framework for Ireland's Offshore Electricity Transmission and the Policy Statement on the Framework for Phase Two Offshore Wind.

Yours faithfully,

Doireann Barry
Head of Strategy & Sustainability

(Sent electronically)

[4] https://ore.catapult.org.uk/
[5] https://www.carbontrust.com/our-work-and-impact/impact-stories/offshore-wind-accelerator-owa
[6] Supervisory Control And Data Acquisition (SCADA)