PR5 TSO/TAO Joint Incentive Multi-Year Plan 2025-2029

Call for Input Consultation Paper

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1 Introduction

Via CRU/20/154, published in December 2020, the Commission for Regulation of Utilities (the CRU) outlined the Regulatory Framework, Incentives and Reporting applicable to Price Review 5 (PR5), relevant to the period 2021 to 2025.

EirGrid, as Transmission System Operator (TSO), and ESB Networks, as Transmission Asset Owner (TAO), made submissions to the CRU in January and February 2021 with respect to their incentive related plans for 2021, the first year of PR5. The CRU's decision on the 2021 Balanced Scorecards was published in March 2022 via the CRU's PR5 2021 Balanced Scorecards Information Paper, CRU202226.

Per CRU/20/154, in relation to 2022 and later years, there is a requirement to submit Multi-Year Plans for the Joint Incentives to the CRU in October of each year to cover the next three calendar years in detail and years four and five thereafter at a high level, with TSO/TAO-led consultations on the Joint Incentives running in parallel with the CRU's consideration of the proposed Joint Incentives Multi-Year plans.

In December 2022, the CRU published the PR5 2022 Balanced Scorecards Information Paper 2022, CRU2022989, which set out the CRU's Balanced Scorecards for 2022, following on from TSO/TAO-led consultations on the PR5 Joint Incentives Multi Year Plans 2022-2026.

In June 2023, the CRU published the PR5 2023 Balanced Scorecards Information Paper 2023, CRU202354, which set out the CRU's Balanced Scorecards for 2023, following on from TSO/TAO-led consultations on the PR5 Joint Incentives Multi Year Plans 2023-2027.

In March 2024, the CRU published the PR5 2024 Balanced Scorecards Information Paper 2024, CRU202405, which set out the CRU's Balanced Scorecards for 2024, following on from TSO/TAO-led consultations on the PR5 Joint Incentives Multi Year Plans 2024-2028.

This Call for Input Consultation Paper relates to the PR5 Multi-Year Plans 2025-2029 for the Joint TSO/TAO incentive. It is considered optimal to request input from stakeholders in relation to this plan in advance of the TSO and TAO's finalisation of their proposed plan and submission to the CRU.

For the avoidance of doubt, please note that the TSO and TAO will not be consulting again in relation to the PR5 Multi-Year Plan 2025-2029.

2 Call for Input Consultation

The TSO and TAO have commenced the process of developing the PR5 Joint Incentive Multi-Year Plan for 2025-2029 as required per CRU/20/154 in relation to the TSO/TAO Joint Incentive. The TSO/TAO previously published the PR5 Joint Incentive Multi-Year Plan for the previous period of 2024-2028. The TSO/TAO propose to use the final four years of that plan, 2025 – 2028, as a starting point for PR5 Joint Incentive Multi-Year Plan for 2025 – 2029. The TSO and TAO will also take account of updates to programmes such as EirGrid's Shaping Our Electricity Future[1], where relevant.

Via this Call for Input Consultation, the TSO and TAO invite stakeholder views on and input into the proposed approach in advance of the TSO/TAO finalisation of the PR5 Joint Incentives Multi-Year Plan for 2025-2029 and submission to the CRU. The TSO/TAO's PR5 Multi-Year Plan for 2025-2029 as submitted to the CRU will inform the CRU's Balanced Scorecard 2025 Decision.

3 Relevant Documentation

As aforementioned, stakeholders are invited to express their views on and input into the proposed approach outlined above. In doing so, stakeholders may find it helpful to refer to the following documentation –

Incentive	**Previous Multi-Year Plan (2024-2028)**	**Relevant Sections of CRU Decisions**
TSO/TAO Joint Incentive	TSO/TAO Multi Year Plan 2024-2028	Section 7.9 of CRU/20/154 Section 14 of CRU202226 Section 13 of CRU2022989 Section 13 of CRU202354 Section 15 of CRU202405

[1] Version 1.1 of which is available here

4 Overview

Summary

The TSO/TAO Joint incentive aims to enhance collaboration to deliver optimum outcomes for the customer and help achieve the targets in the Climate Action Plan 2024[2] .

Joint TSO/TAO key milestones and targets

- **Deployment of New Technology:** The TSO and TAO are working collaboratively to review new technologies for use in the Technology Toolbox for future transmission network planning and development. A programme of work for each asset category; Overhead Lines, Underground Cables and Stations is underway, developing the steps required to transition these technologies to business as usual. This Technology Toolbox will facilitate the increase in renewable connections, hand in hand with the transition to a low-carbon energy system.

- **Project Initiation to CPP Agreed Phase:** The continued collaboration between the organisations from the initiation phase of a project through to the agreed parameter stage is an important focus for increased project throughput, towards ultimate project delivery. Maintaining a continuous focus from Indicative Programme (IP) issue to Committed Programme Parameter (CPP) agreement is an area where efficiencies can be achieved through enhanced collaboration. This area has benefitted from increased collaboration between the two organisations in recent years.

- **Joint Process Improvement:** This metric within the multi-year scorecard will be qualitatively audited and will examine the TSO and TAO's performance in identifying and implementing joint processes, leading to efficiencies in project and programme delivery and other areas of collaboration.

- **Asset and Programme Data Exchange:** The TSO and TAO are committed to the proactive and timely provision of information using appropriate systems and data sharing to efficiently deliver transmission network capex for the PR5 programme.

Please note that CRU have determined that Joint Process Improvement will primarily be focused on TSO[3] and TAO[4] joint performance in delivery of the Joint Outage Transformation Programme objectives.

Please note that TSO and TAO are currently preparing submissions for the Price Review 6 period (2026-2030). The level of detail provided for the specific TSO Multi-Year Plans 2025-2029 may be tailored accordingly.

For further information, please see *TSO/TAO Multi-Year Plan 2024-2028* here.

[2] Climate Action Plan 2024
[3] Outages | Customer Information | EirGrid
[4] Joint Outage Transformation Programme (esbnetworks.ie)

5 Next Steps

Interested stakeholders' views on and input into the TSO/TAO's PR5 Multi-Year Plan 2025 -2029 for the Joint TSO/TAO incentive are invited until 5pm on 14th August 2024. Responses can be submitted through the EirGrid Consultation Portal and via ESB Networks engagement mailbox: consultations@esbnetworks.ie.

Please note that, in the consultation response document, the TSO and TAO will jointly respond to consultation respondents' comments and feedback within the scope of this consultation only. Comments and feedback outside the scope of this consultation will not be included in the consultation response document/(s).

Please mark your response as confidential if you do not wish for elements of your response to be shared in the consultation response document/(s) which will be published post consultation. Please note that all responses received will be shared with the CRU.