



# RESS 1 Auction Process (R1AP)

July 17

**2020**

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The Auction Information Pack has been prepared by the TSO in accordance with Section 9.4.1 of the RESS 1 Terms and Conditions for the purpose of informing Qualified Applicants of the timing, requirements and processes involved in the RESS 1 Auction. This document contains information with respect to the auction process, roles and responsibilities and timelines.

R1AP v1.0

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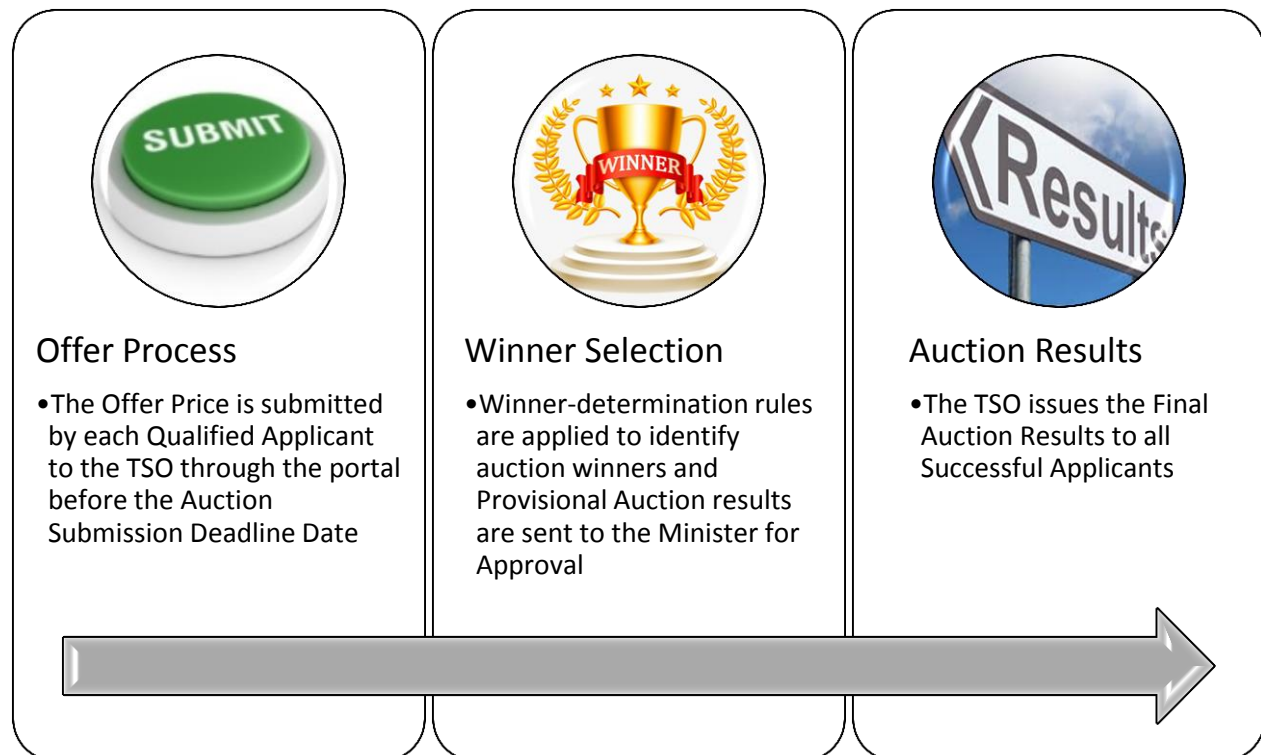
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# Introduction

## Background and Purpose

In accordance with provisions set forth in the Terms and Conditions for the First Competition under the Renewable Electricity Support Scheme (RESS 1: 2020) published in February 2020 and pursuant to Public Service Obligations imposed under Section 39 of the Act, the TSO is responsible for administering the RESS 1 Auction. The Auction process follows the following high level steps:



**Figure 1** High Level Auction Process Steps

### Offer Process

In accordance with section 6.6 Offer Process, all Qualified Applicants will be invited to submit an Offer Price (denominated in €/MWh) in respect of their RESS 1 Project. The Offer Price must be submitted before the RESS 1 Auction Submission Deadline Date.

The Offer Price shall not exceed the Maximum Offer Price Considered which is 120.00 €/MWh. Offers for which the Offer Price submitted exceeds the Maximum Offer Price Considered or for which the Offer Price is not submitted by the RESS Auction Submission Deadline Date will not be considered in the RESS 1 Auction and in such cases, the Offer will be disregarded and the TSO will be entitled to draw down on the full amount of the Bid Bond.

## Winner Selection

The RESS 1 Auction takes the form of a simple, sealed bid auction of eligible Offers. The following Offer information submitted by each Qualified Applicant is utilised and evaluated within the winner selection process. Each Offer  $o$  is comprised:

- (a) Deemed Offer Price ( $DOP_o$ ), calculated in accordance with 6.6.5 based on submitted Offer Price ( $OP_o$ );
- (b) Deemed Energy Quantity ( $DEQ_o$ ), calculated in accordance with 6.6.4 based on the qualified Offer Quantity ( $OQ_o$ );
- (c) Preference Category Flag (community)  $PCF_{oc} = 1$  if Offer  $o$  is eligible in the Community Preference Category, 0 otherwise;
- (d) Preference Category Flag (solar)  $PCF_{os} = 1$  if Offer  $o$  is eligible in the Solar Preference Category, 0 otherwise; and
- (e) Preference Category Flag (all projects)  $PCF_{oa} = 1$  if Offer  $o$  is eligible in the All Projects Preference Category, 0 otherwise.

Winner-determination rules will then be applied in accordance with Section 6.7 of the RESS 1 Terms and Conditions.

## Auction Results

The TSO shall issue the Final Auction Results to all Qualified Applicants by the later of: (i) the Final Auction Results Date; and (ii) two Working Days after the receipt of approval from the Minister in respect of the Final Auction Results.

### Post-Auction Information to Be Released Publicly

In accordance with section 9.5 of the RESS 1 Terms and Conditions, the TSO will publish a notification of the Final Auction Results, including:

- the quantity of renewable energy supply (in GWh/yr of Deemed Energy Quantity of successful Offers) to be purchased, by Eligible Technology category;
- the quantity of renewable energy supply (in GWh/yr of Deemed Energy Quantity of unsuccessful Offers) that was offered but not purchased, by Eligible Technology category;
- the GWh-weighted average Offer Price of successful Offers, for each Preference Category; and
- A list of all Successful Applicants and the location, size and Eligible Technology category of each successful Offer.

***The Offer Price for each Successful Applicant will not be published.*** However, the current Regulatory Authority policy is to publish PSO outturn payments by Supplier to each Generator.

# Key Dates

## Auction Dates and Times

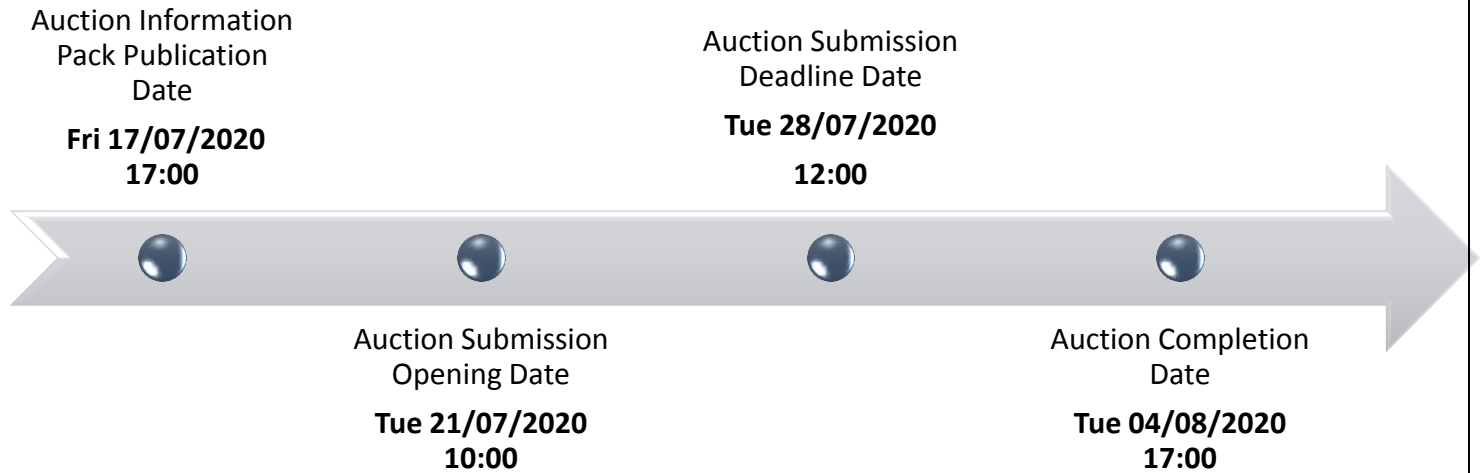
DCCAE have published a series of timelines with which the TSO and RESS Applicants are obliged to adhere to. The Key RESS Auction Dates are

### Key Auction Dates

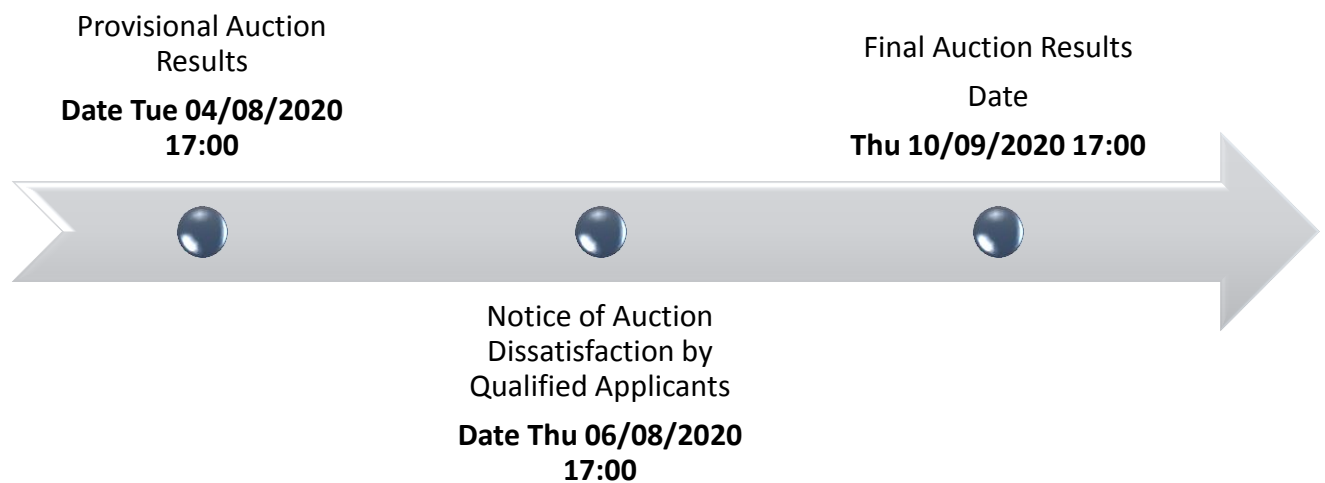
Auction Information Pack Publication Date	means the scheduled publication date for the Auction Information Pack.
Auction Submission Opening Date	means the date and time from which Offer Prices may be submitted.
Auction Submission Deadline Date	means the date and time after which Offer Prices will no longer be accepted.
Auction Completion Date	the date for conclusion of the RESS 1 Auction.
Provisional Auction Results Date	means the indicative date for issue of the Provisional Auction Results by the TSO.
Notice of Auction Dissatisfaction by Participants Date	means date and time by which a Notice of Auction Dissatisfaction (R1NAD) must be submitted by a Qualified Applicant.
Final Auction Results Date	the indicative date for issue of the Final Auction Results by the TSO

### Key Auction dates

The timelines below indicates when these occur



### Notice of Dissatisfaction and Auction Results Dates



## RESS Auction Escalation Scenarios

Where an Applicant considers that the TSO has not applied the Terms and Conditions in determining the Provisional Auction Results it can avail of the following processes.



### Notice of Auction Dissatisfaction

- In respect of a Provisional Auction Result, where the Qualified Applicant (acting to the standard of a Prudent Industry Operator) considers that the TSO has not applied these Terms and Conditions correctly, they may submit a Notice of Auction Dissatisfaction (R1NAD) to the Minister within two Working Days of receipt of the outcome of the Provisional Auction Results.
- The Minister shall consider the Provisional Auction Results submitted by the TSO, the Auction Monitor Report (in accordance with the Information Paper) and any Notices of Auction Dissatisfaction submitted by Qualified Applicants in respect of a Provisional Auction Result.

Note - The Notice of Auction Dissatisfaction process is wholly operated and managed by the Minister. Applicants **may** submit a **Notice of Auction Dissatisfaction form (R1NAD)** to the Minister. The Notice of Auction Dissatisfaction form (R1NAD) can be found in the Auction Information pack on the EirGrid website. The completed Notice of Auction Dissatisfaction form should then be emailed to the DCCAIE mailbox at [RESS@dccae.gov.ie](mailto:RESS@dccae.gov.ie) copying [RESS@eirgrid.com](mailto:RESS@eirgrid.com)

# Process Structure and Legends

The following process flow diagrams are made up of columns that identify who are responsible for what activities. The Auction process involves the following three roles:

- Qualified Applicant
- TSO – EirGrid (the Transmission System Operator)
- Minister – Minister of the Department of Communications Climate Action and Environment or any successor.

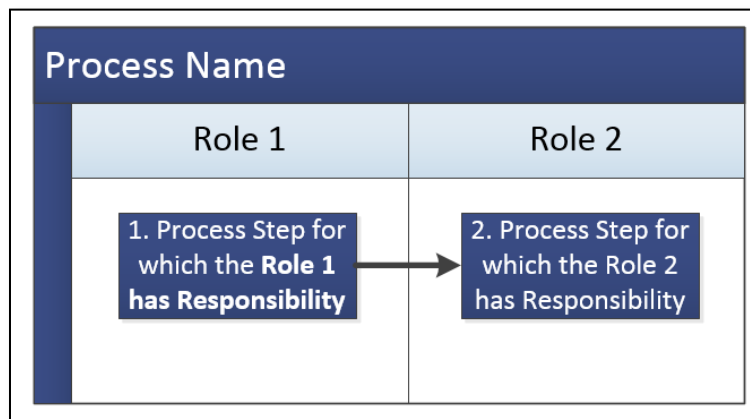
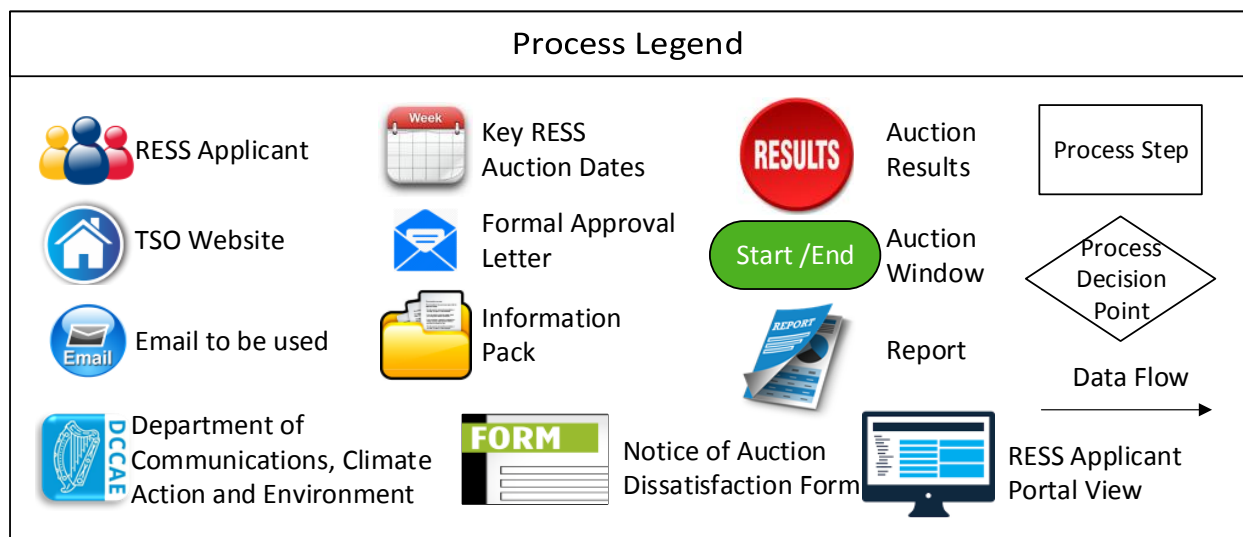


Diagram 1 Example of Roles and Responsibilities swim lanes

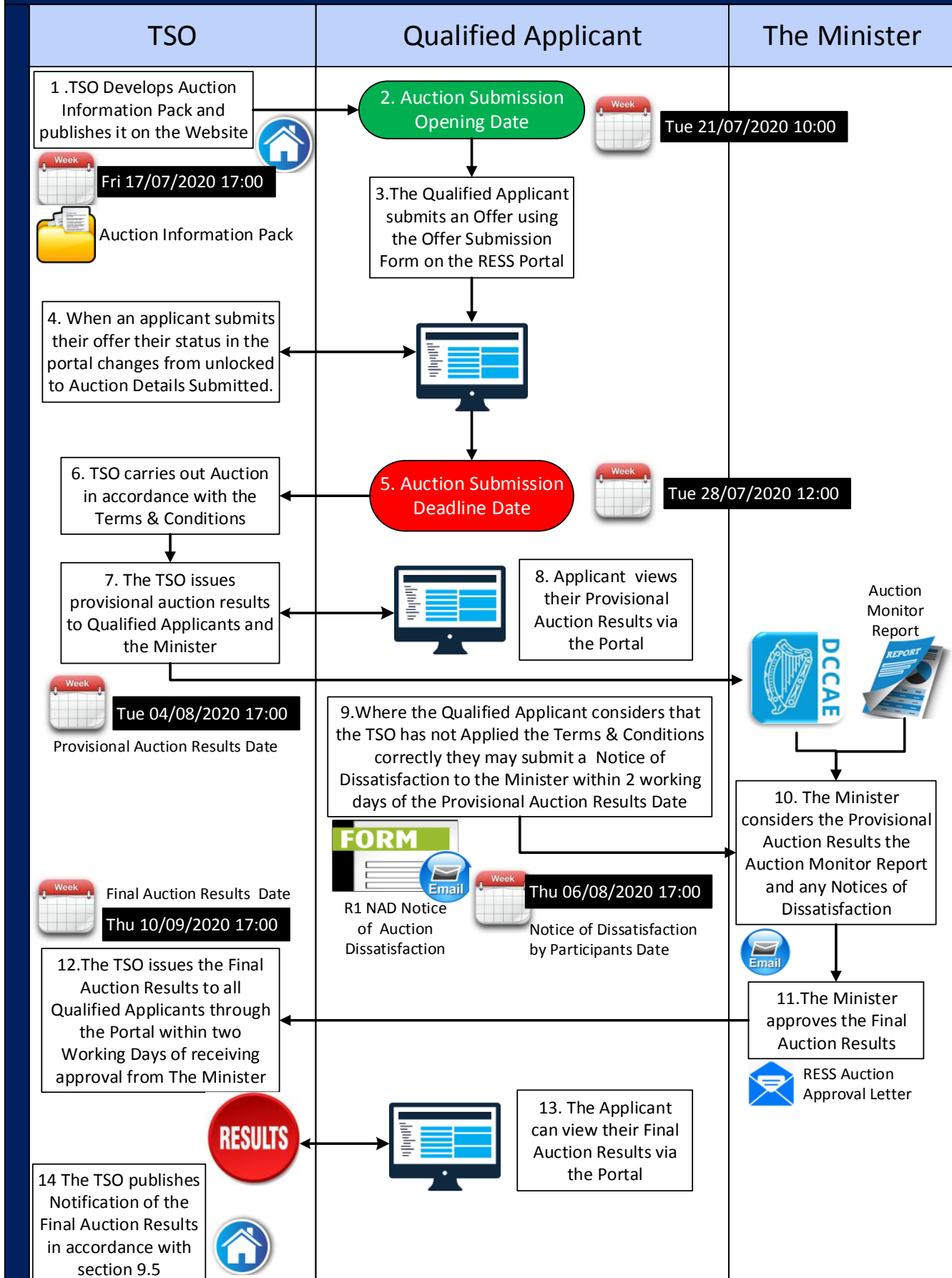
Within the process diagrams we use various symbols or legends to make the process diagrams more intuitive to the reader. The diagram below illustrates the symbols used for the Auction process.



RESS Process Flow Auction Legends



# RESS1 Auction Process



# Auction Process Steps

Steps	Step Description	Timing	Method	By From	To
1	The TSO Develops Auction Information Pack and publishes this pack on the EirGrid Website	Fri 17/07/2020 17:00	EirGrid Website	TSO	Applicants
2	Auction Submission Opening Date. This is the first date that the Auction portal is opened. <b>Note</b> the portal opens at 10am and only authorised users may submit offers.	Tue 21/07/2020 10:00	Portal	Applicants	TSO
3	The Qualified Applicant submits an Offer using the Offer Submission Form on the RESS Portal no later than the RESS 1 Auction Submission Deadline Date.	From 21/07/2020 to 28/07/2020	Portal	Applicants	TSO
4	When an applicant submits their offer their status in the portal changes from unlocked to Auction Details Submitted.	From 21/07/2020 to 28/07/2020	Portal	TSO	Applicants
5	Auction Submission Deadline Date	Tue 28/07/2020 12:00	Portal	Applicants	TSO
6	TSO carries out Auction in accordance with the Terms & Conditions.	Tue 04/08/2020 17:00	Auction Platform	TSO	
7	The TSO issues provisional auction results to Qualified Applicants and the Minister.	Tue 04/08/2020 17:00	Portal and Report	TSO	Applicants Minister
8	Applicant can view their Provisional Auction Results via the Portal.	Tue 04/08/2020 17:00	Portal	TSO	Applicants

Steps	Step Description	Timing	Method	By From	To
9	<p>Where the Applicant considers that the TSO has not Applied the Terms &amp; Conditions correctly for the auction the Applicant <b>may</b> submit a <b>Notice of Auction Dissatisfaction form (R1NAD)</b> to the DCCAE Minister <b>within 2 working days of the Provisional Auction Results Date</b></p> <p>The Notice of Auction Dissatisfaction (R1NAD) template can be found in the Auction Information pack on the EirGrid website. The completed <i>Notice of Auction Dissatisfaction form</i> should then be emailed to the DCCAE mailbox at <a href="mailto:RESS@dccae.gov.ie">RESS@dccae.gov.ie</a> copying <a href="mailto:RESS@eirgrid.com">RESS@eirgrid.com</a></p>	Thu 06/08/2020 17:00	Email to the Minister	Applicant	The Minister
10	The Minister shall consider the Provisional Auction Results submitted by the TSO, the Auction Monitor Report (in accordance with the Information Paper) and any Notices of Auction Dissatisfaction submitted by Qualified Applicants in respect of a Provisional Auction Result.	Up Until Thu 10/09/2020 17:00	Internal Ministerial review	Minister	
11	The Minister approves the Final Auction Results and informs the System Operator	On or before Thu 10/09/2020 17:00	Email and Letter of Approval	Minister	TSO
12	The TSO issues the Final Auction Results to all successful Applicants through the Portal within two Working Days of receiving approval from The Minister	Within two days of Thu 10/09/2020 17:00	Portal	TSO	Applicants
13	The Applicant can view their Final Auction Results via the Portal	Within two days of Thu 10/09/2020 17:00	Portal	Applicants	TSO

Steps	Step Description	Timing	Method	By From	To
14	<p>The TSO publishes Notification of the Final Auction Results in accordance with section 9.5</p> <p><i>The TSO will publish a notification of the Final Auction Results, including:</i></p> <ul style="list-style-type: none"> <li>• <i>the quantity of renewable energy supply (in GWh/yr of Deemed Energy Quantity of successful Offers) to be purchased, by Eligible Technology category;</i></li> <li>• <i>the quantity of renewable energy supply (in GWh/yr of Deemed Energy Quantity of unsuccessful Offers) that was offered but not purchased, by Eligible Technology category;</i></li> <li>• <i>the GWh-weighted average Offer Price of successful Offers, for each Preference Category; and</i></li> <li>• <i>A list of all Successful Applicants and the location, size and Eligible Technology category of each successful Offer.</i></li> </ul>	After 10/09/2020	Website	TSO	General Public