

## Emergency Generation for EirGrid – Winter 2021

1. *On 6<sup>th</sup> May 2021, EirGrid organised a Tender Information Session signalling their intention to procure emergency generation for the forthcoming winter. Generation secured through this process would not be able to participate in the energy market, as the facilities were to provide emergency generation services in the event of a shortfall in the energy market only. ESB and other generators were invited by EirGrid to submit proposals and a formal Request for Proposal (RFP) was sent one week later.*
2. *On May 20<sup>th</sup>, ESB submitted a Non-Binding Proposal to EirGrid for two options at its Dublin generation sites for between 100MW and 270MW at either North Wall or Poolbeg generation stations.*
3. *EirGrid sought further clarifications from ESB through a competitive dialogue process.*
4. *By June 2021, ESB provided a priced commercial offer from its main contractor to EirGrid for the installation, commissioning, operation and maintenance of temporary generation plant at North Wall. ESB was subsequently advised that it was the preferred bidder.*
5. *In July 2021, ESB and EirGrid signed a letter of intent (LOI) in which EirGrid instructed ESB to carry out certain preparatory works. These works facilitated advanced engineering works by ESB and its contractors, and directed ESB to reserve the emergency generation equipment in order to allow timelines for the delivery of the generation capacity to be maintained. Letters of Intent or Limited Notices to Proceed are common arrangements to maintain timelines for delivery in advance of full contract finalisation. No advance payments were made to ESB under the terms of the LOI, but it set out that costs incurred up to an agreed limit would be reimbursed.*
6. *In August 2021, EirGrid wrote to ESB to advise that they had decided to formally close this competition and that no award would be made. In turn, ESB terminated the early works agreement with its main contractor to avoid incurring further costs. An invoice to cover the costs incurred by ESB under the terms of the Letter of Intent was submitted to EirGrid for payment in December 2021. These costs were significantly less than those reported in the media.*
7. *EirGrid is running another competition for Emergency Generation and ESB is preparing bids to be submitted in February.*