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LDES Policy Frameworks

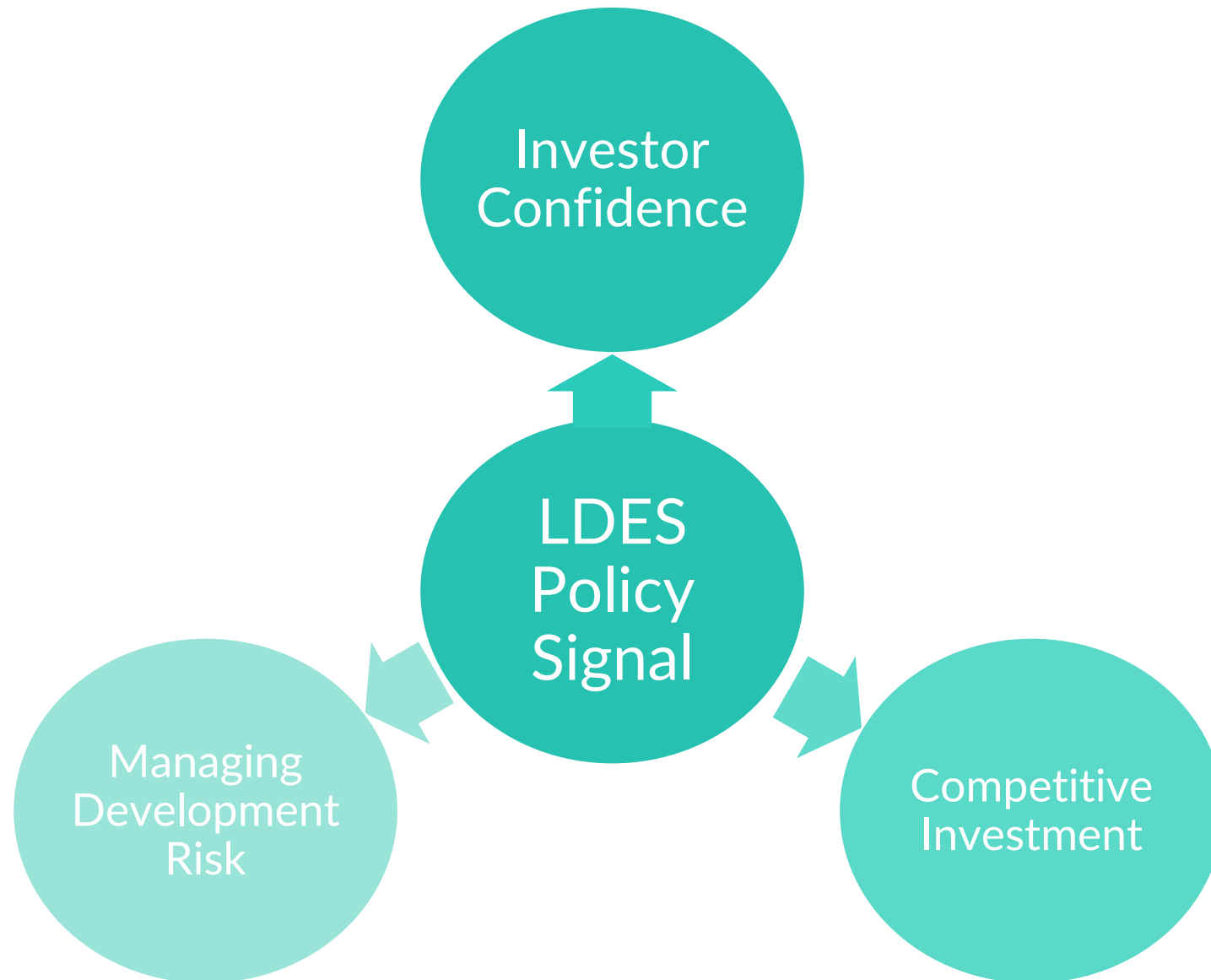
Overview

A&L Goodbody Northern Ireland

4 September 2025



1. The Benefit of Early Policy Signals



2. The Importance of LDES to NI Grid

a) Reduce Dispatch Down

b) Grid congestion challenges

c) Deploy quickly & alleviate grid investment

d) Avoids diminishing benefit of increased wind generation

3. Northern Ireland's Current Policy Landscape

| Milestone | Planned Date |
|---|--------------|
| Complete Study on LDES volume and locational needs completion | Q1 2025 |
| LDES business case & procurement planning | Q4 2024 |
| Consultation Paper 1: Procurement decision | Dec 2025 |
| Consultation Paper 2: Contractual arrangement decision | Nov 2026 |
| Procurement mechanism establishment | Q4 2027 |
| LDES assets commissioned | Q4 2030 |

- TSOs Joint Call for Evidence
- SOEF v1.1 Roadmap – sets strategic direction.
- Draft CAP 2023-2027 “*DfE will develop legislative changes to facilitate greater connection of energy storage facilities to the network*”
- SONI Dispatch Down Draft Action Plan (December 2024)

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Republic of Ireland LDES Framework



4. Electricity Storage Policy Framework for Ireland (ESPF)

Electricity Storage Policy Framework for Ireland published in July 2024 in line with its own CAP Action EL/24/16

Action 1

- *Maintain a technology neutral approach to all electricity storage systems.*

Action 2

- *Creation of a 'sandbox' project to advance both System Operators' technological knowledge of emerging electricity storage technologies*

Action 3

- *Convene an electricity storage and system services working group as part of the Accelerating Renewable Electricity Taskforce.*

Action 4

- *Convene a forum for an expanded group of stakeholders including statutory bodies, leading industry representatives and academic or interest groups.*

Action 5

- *Support access to the wholesale electricity markets, arbitrage and revenue stacking for electricity storage systems*

Action 6

- *Support the immediate procurement of Demand Flexibility products and of (long duration) electricity storage to meet specific network needs, on the Distribution and Transmission systems respectively.*

Action 7

- *Initiate a 'Quantity consultation to establish the optimal (long duration) electricity storage requirements to meet climate targets and electricity grid network expansion between 2030-2040.*

Action 8

- *Initiate a 'Financial' consultation to establish if the expected market mechanisms due between 2025-2028 will provide sufficient service provider certainty to meet the optimum (long duration) electricity storage systems requirements of 2030-2040.*

Action 9

- *If required and pending the outcome of the 'Financial' consultation, develop a market framework to further incentivise the incorporation of (long duration) electricity storage system technologies to the grid to meet projected 2030-2040 requirements.*

Action 10

- *Ensure a route to market for the identified optimum (long duration) electricity storage requirements for 2030-2040 is in place before end of 2028.*

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GB LDES Framework



5. Great Britain LDES Framework – Cap & Floor Scheme

- **March 2025: DESNZ & Ofgem published Technical Decision Document (TDD).**

- > Confirms cap and floor scheme for LDES
- > Technology-agnostic
- > 4-6 GW of LDES by 2030
- > Legislative backing via the Planning and Infrastructure Bill

- **Qualification Criteria**

- > A minimum capacity of 100 MW for established technologies (Stream 1) or 50 MW for novel technologies (Stream 2).
- > A minimum duration of 8 hours of continuous output at full power.
- > Submission of a grid connection application.
- > Planning consent in place by the start of Q3 2025 for projects aiming for a 2030 delivery.

GB Clean Flexibility Roadmap (July 2025)

- **DESNZ, OFGEM and NESCO published Clean Flexibility Roadmap (July 2025)**
 - > Unified actionable strategy
 - > Focus on deploying 4-6GW of LDES by 2030
- **Clean Flexibility Roadmap Key measures**
 - > Ofgem implementing a cap and floor scheme for LDES projects
 - > DESNZ working with UK Infrastructure Bank, British Business Bank, and the National Wealth Fund to combine public and private funding to lower the cost of finance and de-risk deployment for LDES technologies,
 - > NESCO's upcoming Strategic Spatial Energy Plan (SSEP) to be published by 2026 to identify optimal location for LDES deployment through to 2050



Thank you
