

Written evidence submitted by ESB Generation & Trading to the House of Commons Public Bill: EU Retained Law Bill written evidence call (REULB58)



1. INTRODUCTION

This submission presents ESB Generation and Trading's ("ESB GT") response to the Retained EU Law Bill. ESB GT welcomes this opportunity to contribute to this important legislation.

ESB's portfolio in Great Britain includes two combined-cycle gas turbine plants: one in the northwest at Carrington and the other at Corby in the East Midlands of England, offshore wind farm interests in Scotland, and a growing onshore wind presence. A central feature of ESB's business is to deliver benefits to consumers by investing in the most efficient renewable assets, particularly offshore wind at locations where the wind resource is highest. Naturally, it is important for the rules to facilitate investments at locations where the energy yield is economically viable for these renewable assets.

By way of an introduction, ESB is Ireland's foremost energy company, with around 7,000 employees. Established in 1927 by the Irish Government, and remaining 95% state owned, ESB created the first fully integrated electricity system in the world. ESB owns the transmission and distribution systems in Ireland and Northern Ireland. ESB have been present in Great Britain since market liberalisation and for 25 years has powered homes and businesses across the country, investing around £2 billion. ESB was one of the first IPPs in the UK with our investment in Corby Power Station (350 MW) in the early 1990's.

ESB is supporting Britain's transition to a low carbon future by investing in flexible and renewable generation assets, including combined-cycle gas turbine, wind, and biomass technologies. ESB opened Carrington Power Station (880 MW), one of the most flexible and efficient plants in the market on the site of an old coal plant near Manchester. This was the first large-scale gas-fired station to come on stream in Great Britain since 2013. Carrington is owned by ESB's 100% subsidiary Carrington Power Limited. ESB also owns 125 MW of onshore wind generation capacity (with over 1 GW in the development pipeline in Britain), a 7 MW battery storage project in Lincolnshire, and recently invested in the 353 MW Galloper offshore wind project. ESB is also developing hydrogen capability as its Carrington power station site. ESB is a pioneer in electric mobility and is currently working in partnership with Transport for London to install, operate, maintain, and commercialise charging infrastructure for the London taxi fleet. In 2017, ESB is also active in the GB energy supply market as SO Energy.

2. ESB RESPONSE TO THE PROPOSED LEGISLATION

ESB is supportive of the Government's intention to streamline legislation, further develop a dedicated UK legal framework and recognise that the Bill presents the opportunity to tailor



legislation to better suit GB. However, the EU Retained Law Bill potentially unravels large amounts of critical legislation in a short timeframe. We are, therefore, concerned about the adverse and destabilising implications which the Bill could have on the energy sector, as well as on the UK's wider policy framework and legislation relating to other key areas and sectors, such as health and safety, the environment, as well as consumer and workers' rights and protections.

ESB believes that this new legislation should not be rushed through, and that the deadline of 31st December 2023 should be extended. We are also concerned about any consequential effects on the energy markets on the island of Ireland, both the direct effects on the market arrangements and any indirect effect through the operation of the gas and electricity interconnectors. Northern Ireland enjoys a special position within the UK due to it remaining in the EU Single Market under the terms of the Northern Ireland Protocol (NIP). It is unclear when and how the Northern Ireland Protocol may be renegotiated – the UK government and the EU need to ensure that there are no unintended consequences which might affect the operation of the energy markets on the island of Ireland either through the removal of all REUL and/or changes in the NIP.

3. RECOMMENDATIONS

As it currently stands, we believe the EU Retained Law Bill will likely lead to quick decisions about significant areas of law being taken by Ministers with limited consultation with stakeholders and limited Parliamentary scrutiny. To support any effective changes to existing regulation, ESB requests early engagement by the UK Government with stakeholders including those with interests on the island of Ireland. A clear assessment framework is needed with a transparent, consulted on, programme for any and all proposed changes. There should be careful consideration of each piece of retained EU law to ensure that its removal does not lead to unintended or undesirable consequences for the energy sector and consumers.

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