Approved 2020/21 Transmission Loss Adjustment Factors (TLAFs) Accompanying Note Version 1.0

26th August 2020

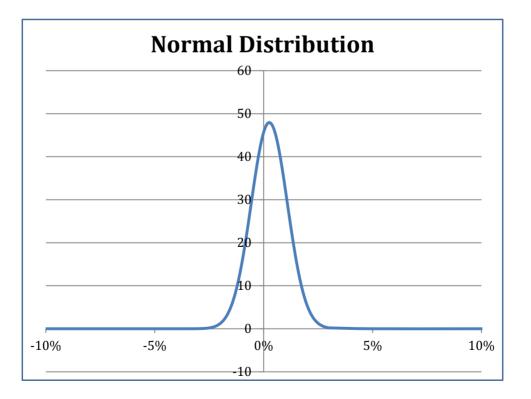


Background

This explanatory paper has been prepared by the Transmission System Operators (TSOs) to accompany the approved Transmission Loss Adjustment Factors (TLAFs) which have been calculated by the TSOs, based on the approved TLAF methodology (SEM-12-049), for 2020/21 (1st October 2020 to 30th September 2021). TLAFs for interconnectors in I-SEM are detailed in the I-SEM Interconnector Losses Information Paper published 2nd June 2017.

TLAF Analysis - Overview

Following a comparison between 2019/20 TLAFs and 2020/21 TLAFs, it was found that the majority of nodes have seen an improvement in their TLAFs. 83% of the TLAFs calculated are within 1% of the previous year's TLAFs and over 94% are within 2%. The maximum average participant TLAF change is 2.25%. The overall average TLAF has increased by 0.26% from 2019/20.



The normal distribution and the frequency distribution are shown below.

Figure 1 - Normal Distribution of changes in TLAFs from 2019/20 to 2020/21

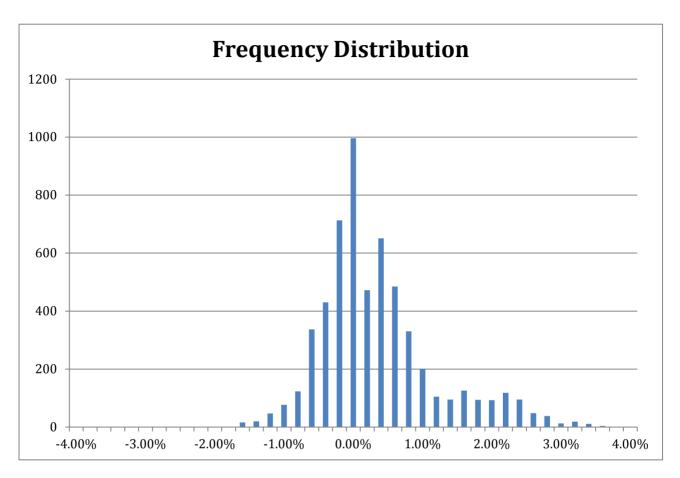


Figure 2 – Frequency Distribution of changes in TLAFs from 2019/20 to 2020/21

TLAF Analysis - Regional

There is a reasonable link between regional dispatch change and the TLAF trend in that region. It should be noted that whilst changes in dispatch between years will change base case flows; this does not indicate how a single participant's generation will add to or offset flows on an all-island basis. Instead, it may provide an indicator for possible expected regional changes.

Figure 3 shows an all-island overview of the TLAFs for 2020/21, indicating the locational range. Green signifies nodes with high TLAFs and moving to red signifies nodes with lower TLAFs.

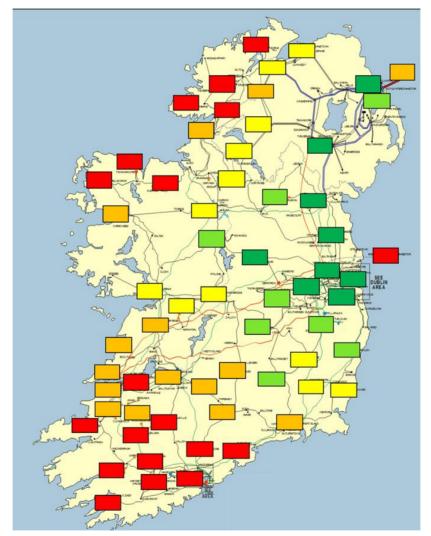


Figure 3 - Locational breakdown of 2020/21 TLAFs

The change in TLAFs from 2019/20 to 2020/21 is shown in Figure 4. Green signifies nodes where TLAFs have improved from their respective values in 2019/20, with Dark Green representing nodes with the greatest improvement. Peach/Red signifies nodes where TLAFs have dis-improved, with dark red representing the largest change. EWIC and Moyle TLAFs, highlighted in purple, remain unchanged as per the I-SEM Interconnector Losses Information Paper.

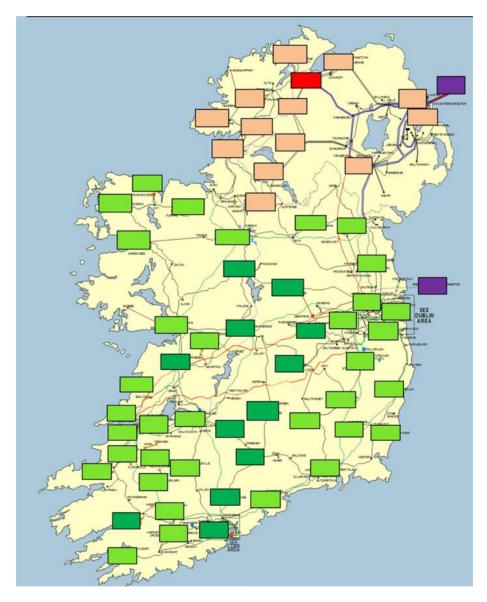


Figure 4 –TLAF changes from 2019/20 to 2020/21

Figure 5 shows the total regional MW dispatch change. Due to commercial sensitivity reasons, data is shown at a regional level, and aggregated from all generation types, (thermal, wind, solar, etc.).

As previously stated, although regional changes from one year to the next can be generalised using Figures 4 and 5, they should not be used as the single determinant for TLAF changes. Participant's TLAFs are a result of how generation at their node will offset or add to all-island base case flows.

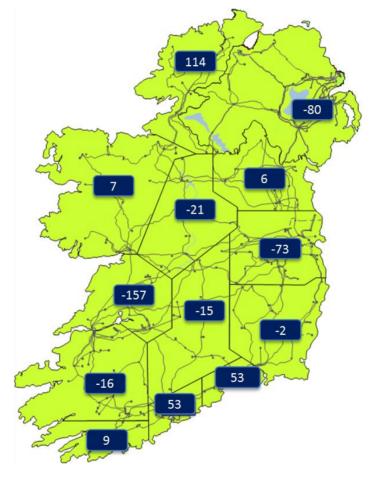


Figure 5 – Total regional MW dispatch change from 2019/20 to 2020/21

Contact

If you have any queries on the 2020/21 Approved TLAFs please E-mail: <u>Tariffs@EirGrid.com</u> or <u>Tariffs@soni.ltd.uk</u>