

# Consultation Report

## Revised Balancing Market Principles Statement

27 June 2023



# Introduction

The objective of the BMPS and associated documents is to provide a clear and comprehensible description of the scheduling and dispatch process. This consultation report has been prepared for the Regulatory Authorities following consultation with industry on revisions to the Balancing Market Principles Statement (BMPS).

We published Version 1.0 of the BMPS in September 2017 following a consultation on the format, style and content of the document. Version 2.0 was published in April 2018 following a consultation on revisions which reflected further development of the revised SEM arrangements and relevant developments external to the I-SEM project. Version 3.0 was published in June 2019; Version 4.0 was published in October 2020. Version 5.0 was published in April 2021 following consultation on revisions.

On the 24<sup>th</sup> April 2023 we published, for consultation, Version 6.1 of the BMPS which included numerous proposed revisions.

The consultation closed on the 24<sup>th</sup> May 2023. We received representations from:

- SSE;
- Mutual Energy Limited;
- Power NI Energy Limited;
- ESB Generation and Trading;
- Bord na Móna;
- Bord Gáis Energy;
- EP UK Investments

This consultation report sets out a summary of the consultation representations we received. We have sought to address representations at an aggregated level in this document and, where appropriate, in the updated BMPS - Version 7.0.

The evolution of the BMPS is set out in the appendix below.

# Scope of Revisions

As per Condition 10B and 22B of EirGrid and SONI’s Transmission System Operator Licences respectively we are required to ensure that the BMPS is accurate and up to date, to propose revisions as necessary and to consult market participants on the changes. The more significant revisions in the document are tabulated below. Table 1 lists the revisions which were proposed in the consultation.

Section	Update / Reason for Update
Important Information	SONI Transmission System Operator License version updated to 18 <sup>th</sup> November 2022.
	EirGrid Grid Code version updated to Version 12; 13 <sup>th</sup> March 2023.
	Trading and Settlement Code Part B updated to Version 27, 7 <sup>th</sup> December 2022.
Terms and Definitions	Demand Side Unit (DSU) definition added.
	Energy Limited Generator Unit definition updated.
	The maximum available capacity and maximum transfer capacity definitions have been removed from this section and the entire BMPS as these terms were causing confusion and are not defined by ENTSO-E. These terms have been replaced throughout the document with the Net Transfer Capacity.
	Temporary Emergency Generation (TEG) definition included as a result of including the TEG paragraph in Section 4.2.
	Synchronous Condenser definition added.
3.1.2 Scheduling and Dispatch Policy Parameters	Section updated to outline SEM Committee decision (SEM-22-078) on setting LNAF and SIFF to zero for the period 1 <sup>st</sup> January to 31 <sup>st</sup> December 2023.
3.4.2 Renewable Forecast	Removal of ‘Wind Farms’ as outages now refer to wind and solar farms. ‘Wind Forecasts’ also changed to ‘Forecasts’ as solar forecasts also do not include curtailment forecast.
3.4.6 Prices and Volumes for Cross-Zonal Actions	Updated sentence to clarify that when GB TSO have a right to reject a trade to clarify that they can do this if it has a negative impact on <u>their</u> system.
	‘Setting Down of Interconnector Net Transfer Capacities’ table row updated to outline when Grid Controllers calculate the interconnector net transfer capacities and what the calculation is based on.
	All references to Maximum Transfer Capacity in this section has been replaced with Net Transfer Capacity as per the explanation in the ‘Terms and Definitions’ section above.
4 The Scheduling and Dispatch Process	Additional paragraph included to introduce the Scheduling and Dispatch Programme. This paragraph was included as the outcomes of this programme will have significant impact on scheduling and dispatch processes.
4.2 Input Data Processing	‘Treatment of Battery Energy Storage Power Station(ESPS) Units’ paragraph updated with a note to outline Battery (ESPS) Units are a ‘Scheduling and Dispatch Programme’ initiative, with the aim to increase the use of Battery ESPS Units in scheduling and dispatch. Also, in BMPS V6.0 we had indicated that a battery unit guidance note detailing the interim solution of these units would be published in 2022. However, we have removed this sentence as due to the quickly evolving interim solution of Battery ESPS units this guidance note has been updated and is still under review.

Section	Update / Reason for Update
4.2 Input Data Processing	'Treatment of Energy Limited Generator Units' paragraph updated to outline the paragraph refers specifically to run-of-river hydro-electric units.
	Paragraph on 'Treatment of Synchronous Condensers' included to outline how these units will be scheduled and dispatched based on the current interim solution.
4.3.3 Scheduling Run Types: LTS, RTC and RTD	'European Market' results changed to 'SEM-GB' results.
4.4.5 Battery ESPS Unit	New section added to 'Section 4.4 - Dispatch and Control Actions' on Battery ESPS Units to outline situations when Battery ESPS units are allowed to be dispatched for energy purposes.
4.5 Meeting Our Obligations	LNAF and SIFF SEM decision updated to latest SEM-22-078.
5.1 Typical Operational Activity	Table updated with 'Total or Partial system shutdown' updated with (blackout) and 'Demand Control (Load Shedding).
	All references to Maximum Transfer Capacity in this section has been replaced with Net Transfer Capacity as per the explanation in the 'Terms and Definitions' section above.
5.2.1 Overview	Table updated as follows: <ul style="list-style-type: none"> <li>'Total Shutdown' row updated 'Blackout State Alert' with (Blue Alert).</li> <li>'Demand Control/Emergency Manual Disconnection/Planned Manual Disconnection' row updated with (System Emergency State).</li> <li>'Demand Control' row updated with (System Emergency State).</li> <li>'Significant Incident' row updated with 'Loss of critical tools (impacting dispatch).</li> <li>'Gas Supply Emergency row updated with (including secondary fuel switching and replenishment).</li> </ul>
	Table updated with additional row on Activation of Temporary Emergency Generation (TEG).
5.2.2 Temporary Emergency Generation (TEG)	Section included to provide additional information to Market Participants in advance of TEG being available in the Winter of this year (2023). The following subsections have been added: <ul style="list-style-type: none"> <li>5.2.2.1 Background.</li> <li>5.2.2.2 Objectives.</li> <li>5.2.2.3 Market Treatment.</li> <li>5.2.2.4 System Operations Treatment.</li> </ul>
5.3 Audit	Independent assurance report paragraph updated with audit for 2021 and that there were no findings from this audit that required the BMPS to be updated. The reference to Section 5.2 in the last paragraph of this section has been removed as any section of the BMPS could possibly be updated based on audit outcomes.
6.2 Operational Data	In 'Others' section of table 'System Margins Report' included which was introduced in 2022.
Appendix 2.1 Input Data Processing	Updated with SEM committee decision on LNAF and SIFF parameters for 2023.

Table 1: Summary of proposed revisions in BMPS version 6.1.

Table 2 summarises revisions which are in addition to revisions proposed in Version 6.1 (As outlined in Table 1 above) and are a result of the consultation process with industry and the Regulatory Authorities. These have been included in Version 7.0.

Section	Update / Reason for Update
Important Information	SONI Grid Code ‘Applicable Version’ column updated to 9 February 2023.
Terms and Conditions	The Net Transfer Capacity definition has been updated to reference the ‘Interim Cross Zonal TSO Arrangements for GB-ISEM go live’ publication. This is due to the interim cross zonal TSO arrangements including the arrangements pertaining to the current interconnectors.
Terms and Conditions 3.4 System Operator Inputs	Mutual Energy Limited has been changed to Moyle Interconnector Limited as Moyle Interconnector Limited are the owners of Moyle Interconnector.
2.3 Efficient Operation of the SEM & 3.4.5 Interconnector Technical Data	These two sections have been updated to reflect the exact wording from Article 311 of the Trading and Cooperation Agreement.
2.3 Efficient Operation of the SEM	Footnote included to define an emergency situation based on Article 16(2) of Regulation 2019/943.
	Paragraph 3 has been updated to reference EirGrid and SONI as the Moyle Interconnector falls within the definition of an Interconnector as referenced in TCA Article 311(1) .
3.4.2 Renewables Forecast	The second paragraph in this section was updated to include ‘solar’ as both wind and solar as both wind and solar’s current conditions are blended with the received forecasts.
3.4.6 Prices and Volumes for Cross-Zonal Actions	Footnote 10 has been updated to refer to ‘net transfer capacities’ throughout.
4.2 Input Data Processing	Paragraphs on ‘Demand forecast interpolation’ and ‘Demand forecast blending’ have been updated to include ‘wind and solar forecasts’.
	The Note in the ‘Treatment of Battery Energy Storage Power Station (ESPS) Units’ paragraph has been updated with a slight change of wording to outline the enduring solutions from the scheduling and dispatch programme will increase Battery ESPS units use in scheduling and dispatch.
4.3.3 Scheduling Run Types: LTS, RTC and RTD	Footnote 14 has been updated by replacing ‘very limited knowledge’ with ‘no certainty’ as although the schedulers may have some indication of what the interconnector flows will be for the upcoming trading day they have no certainty.
5.2.1 Overview & 5.2.2.1 TEG Background	The timeline of TEG availability has been updated to include ‘with an optional extension available to 2028’. This is to reflect the TEG availability timeline outlined in the Risk Preparedness Plan.
5.2.2.1 TEG Background	Paragraph one has been updated with a footnote containing a link to the latest February 2023 CRU information note which provides an update to the Electricity Security of Supply Programme of Works.
Appendix 2.3 Dispatch and Control Actions	The determination of the net transfer capacity has been moved from ‘Ad-hoc’ to ‘Continuous’ as this calculation is carried out on a daily basis.
	‘Exceptional Instructions’ have now been included in the ‘Ad-hoc’ row with reference to Section 5.2.

Table 2: Summary of additional revisions in BMPS version 7.0.

# Industry Representations

This section summarises the representations we received during the consultation. Table 3 provides a summary of the representations received during the external BMPS consultation that are within the scope of the BMPS consultation. Table 3 also outlines the responses to the representation received. Thanks to all respondents for their comments.

Section / Topic	Summary of Representation(s) Received	TSO Response
Section 3.4.2 - Renewable Forecasts	One respondent outlined the importance that there are individually published wind and solar forecast reports, as it will allow the differing components of these technologies to still be visible e.g., like the fact wind is curtailed but solar is not.	We receive forecasts from our forecast providers. We publish these forecasts on an aggregate basis. The aggregate volumes contain both solar and wind. We will consider renaming these reports to clarify the inclusion of both wind and solar. In the scheduling process we blend these forecasts with real time availabilities. The optimisation in the scheduling process calculates the level of forecast curtailment. In the dispatch process we curtail wind and solar together on a pro-rata basis.
	One respondent queried if EirGrid intends to publish wind and solar forecasts together and/ or separately on the relevant EirGrid Dashboard?	We will take this into consideration when reviewing the EirGrid Group dashboard.
	One respondent requested clarity if the reference to 'wind' in the second paragraph be removed to account for solar.	BMPS V7.0 has been updated to change the reference from 'wind' to 'wind and solar'.
Section 3.4.6 - Net Transfer Capacity (NTC)	A number of respondents requested further justification why the net transfer capacity is set down and system stability cannot be achieved through existing mechanisms. Respondents also requested the net transfer capacity calculations to be published.	<p>The setting down of the net transfer capacity is to prevent the power system entering system alerts, mainly due to tight margins. Also, cross border balancing actions are only available on a rolling 1 to 2-hour timescale from real-time (post BETTA Balancing Market gate closure). These trades are only entered into for system security (including congestion management) and/or priority dispatch. But given the tighter timescales of this service, CBB is not always available.</p> <p>As updated in BMPS V6.1, we determine whether the NTC needs to be set down based on the latest market data and forecast system conditions for the following day.</p> <p>As per our Transmission System Operator License obligations (Condition 22B of SONI's and Condition 10B of EirGrid's TSO licenses), the BMPS is 'as accurate and up-to-date a</p>

Section / Topic	Summary of Representation(s) Received	TSO Response
		description of the scheduling and dispatch process as is practicable'. The purpose of the BMPS is to describe the current scheduling and dispatch process within the Balancing Market and any exceptions to this process and procedures. The BMPS is not a consultation on how we should schedule and dispatch the system or how these processes should be changed. The BMPS's purpose is to provide transparency to Market Participants of how the process is carried out currently.
Section 3.4.6 - Net Transfer Capacity (NTC)	One respondent commented about NTCs regularly changing post closure of the DAM auction, not for reasons of physical availability of the Interconnectors but for other system operational reasons. Brexit should have had no impact on the timing of the determination of the NTC which should have continued to be determined before the DAM auction. There was no consultation or indication, as far as we are aware, of the intent to delay NTC publication to post DAM.	The interconnector capacity calculations are carried out as close to IDA1 as possible. This is to ensure the latest available data such as wind forecast, solar forecast and demand forecasts are included in the capacity calculation.  We will take it into consideration when reviewing our interconnector capacity calculation procedures and processes.
Appendix 2.3 - Net Transfer Capacity (NTC)	One respondent commented that in Appendix 2.3, the determination of the NTC is a daily process and should be moved from 'Ad-hoc' to 'Continuous'.	As the net transfer capacity is determined each day, we have moved this bullet point into the 'Continuous' row in BMPS V7.0.
Section 2.3 and 3.4.5 - Net Transfer Capacity (NTC)	One respondent commented that the paragraph in section 2.3 and 3.4.5 in relation to the EU-UK Trade and Cooperation Agreement (TCA) is currently paraphrased in BMPS V6.1.	Paragraph three in section 2.3 and paragraph one in section 3.4.5 have been updated to reflect the exact wording in the TCA.
Section 6.2 Net Transfer Capacity (NTC)	One respondent welcomed the publication of a 'System Margins Report' but more detail around the extent and duration of interconnector NTC restrictions over the course of the day and a separate EirGrid and SONI publication would also be welcome.	We will take this comment into consideration when reviewing our published reports.

Section / Topic	Summary of Representation(s) Received	TSO Response
<p>Terms and Definitions and Section 3.4.6 -</p> <p>Net Transfer Capacity (NTC)</p>	<p>On respondent commented that including 'as defined by ENTSO-E' in the definition of the NTC was not necessary and not appropriate as it not clear what ENTSO-E definition is being referred to. They also suggested changing the referencing to 'setting down' and 'set down' in relation to the NTC and recommended changing this wording.</p>	<p>Your comment has been noted.</p>
<p>Section 4 -</p> <p>Scheduling and Dispatch Programme</p>	<p>A number of respondents welcomed that this programme is made more visible, but activity in this programme has stalled and there are some significant workstreams that appear to have been descoped to an indefinite future period.</p> <p>Respondents requested a clear roadmap of when they can expect implementation and delivery of better scheduling and dispatch treatment of battery technologies (as well as delivery of the other scoped objectives of the Scheduling and Dispatch Programme).</p>	<p>The BMPS does reference the Scheduling and Dispatch programme. The reference to the Scheduling and Dispatch programme was included as it is in progress and will have a significant impact on the scheduling and dispatch processes.</p> <p>To ensure consistent communication on all aspects of the programme, the Scheduling and Dispatch programme team will be managing communication with stakeholders.</p>
	<p>A number of respondents raised concerns about the descoping of the synchronous condenser initiative included in the Scheduling and Dispatch programme.</p>	<p>The scheduling and dispatch of synchronous condensers are an initiative of the Scheduling and Dispatch programme.</p> <p>To ensure consistent communication on all aspects of the programme, the Scheduling and Dispatch programme team will be managing communication with stakeholders.</p>



Section / Topic	Summary of Representation(s) Received	TSO Response
<p>Section 4 - Scheduling and Dispatch Programme</p>	<p>With the reference to the Scheduling and Dispatch programme, one respondent queried why there was no reference to the parallel programme to increase inertia services through the provision of additional low carbon inertia. They would have expected this project was referenced in this area. They also queried why there was no reference to MOD_13_19.</p>	<p>The purpose of the BMPS is to describe the current scheduling and dispatch process within the Balancing Market and any exceptions to this process and procedures.</p> <p>The BMPS does reference the Scheduling and Dispatch programme. The reference to the Scheduling and Dispatch programme was included as it is in progress and will have a significant impact on the scheduling and dispatch processes.</p> <p>Synchronous condenser units are a new technology that we are currently trialing in our scheduling and dispatch processes. We are providing updates in our Weekly Operational Constraint Update document on how synchronous condenser units are treated in the scheduling processes. This document can be found on the SEMO website under <a href="#">general publications</a>.</p> <p>There are a future active programmes of work to improve the use of synchronous condensers in the balancing market.</p> <p>We acknowledge the effect of MOD_13_19 on facilitating more synchronous condensers in the market. However, due to the number of modifications to improve the scheduling and dispatch processes we cannot reference all modifications in the BMPS.</p>
	<p>One respondent commented that the Scheduling and Dispatch programme isn't a defined term and there is no detail as to what it is.</p>	<p>BMPS V6.1 references the Scheduling and Dispatch programme as it is in progress and will have a significant impact on the scheduling and dispatch processes. The BMPS V6.1 outlines why the programme was established and at a high level, the aims of the programme.</p> <p>To ensure consistent communication on all aspects of the programme, the Scheduling and Dispatch programme team will be managing communication with stakeholders on all details of the programme and its initiatives.</p>

Section / Topic	Summary of Representation(s) Received	TSO Response
Section 4.2 - Synchronous Condenser Units	One respondent asked if we could confirm that synchronous condenser consumption will be included in the long-term schedule (LTS) as this consumption will increase demand and impact the Net Imbalance Volume.	<p>Synchronous condenser units are a new technology that we are currently trialing in our scheduling and dispatch processes. We are providing updates in our Weekly Operational Constraint document on how synchronous condenser units are treated in the scheduling processes. This document can be found on the SEMO website under <a href="#">general publications</a>.</p> <p>There are a future active programmes of work to improve the use of synchronous condensers in the balancing market.</p>
Section 5.2.1 Exceptions Overview	One respondent queried the ‘Blue Alert’, ‘System Emergency State’, ‘Loss of Critical Tools’, ‘including secondary fuel switching and replenishment’ updates to the table in this section. The respondent commented that without reference to the final Risk Preparedness Plan (RPP) from the CRU and the read across to the TSO required establishment of power system plans for emergency, suspension, and restoration (Articles 23 and 4(5) of the Commission Regulation (EU) 2017/2196)—it is not clear whether this table is relevant or consistent with overall planned approach for system emergency. The respondent recommended that this update is held off being updated until the CRU RPP is approved and finalised and that it is clearly linked and signposted to the TSO plans as required under EU regulations references above.	<p>The RPP for Ireland includes sections on the planned approach for system alerts, emergencies, and blackouts.</p> <p>Please see link to the updated RPP published on the CRU website: <a href="#">A Risk Preparedness Plan for Ireland - Revised Decision Paper (May 2023)</a>.</p>
Section 5.2 Exceptions - TEG	One respondent commented on the update which included the addition of the TEG row in the table in Section 5.2.1. They commented that it is not clear if this is consistent with the CRU RPP, particularly if considering the recent EU Commission commentary on this draft RPP.	<p>Information on TEG was included in BMPS V6.1 in advance of it being available in the Winter of this year (2023). The updated RPP has addressed the European Commission comments on the plan - including use of non-market generation (i.e. TEG)</p> <p>Please see link to the updated RPP published on the CRU website: <a href="#">A Risk Preparedness Plan for Ireland - Revised Decision Paper (May 2023)</a>.</p>

Section / Topic	Summary of Representation(s) Received	TSO Response
Section 5.2 Exceptions - TEG	<p>One respondent commented that updates to the table in Section 5.2.1 do not reference the RPP from the CRU and it is not clear this table is relevant or consistent with overall planned approach for system emergency.</p>	<p>The Risk Preparedness Plan for Ireland includes the approach implemented by EirGrid to System Alerts, Emergencies, and Blackouts.</p> <p>Please see link to the updated Risk Preparedness Plan published on the CRU website: <a href="#">A Risk Preparedness Plan for Ireland - Revised Decision Paper (May 2023)</a>.</p>
	<p>One respondent commented the Section 5.2.2 does not reference the legislative basis for later TEG projects in addition to more recent security of supply releases from the CRU that have signalled the need for this generation. It is not clear how consistent it is with the intended triggering under RRP.</p> <p>It references an outdated document from the CRU, which has been recently updated in 2023—which is useful to point out.</p>	<p>BMPS V7.0 has been updated to include an additional link to CRU programme of actions update in Section 5.2.2.1.</p> <p>The CRU Information Paper - Security of Electricity Supply Programme of Actions document linked in footnote 18 on page 18 refers to 'Regulation 28 of SI 60 of 2005' which is the legislative basis for the TEG projects.</p>
	<p>A number of respondents commented requesting clarity around the effect of TEG actions on the energy market and raised concerns on the effect of the Balancing Market price.</p> <p>They also raised concerns that the inclusion of the TEG units into in-merit calculations will effectively inflate the available Short Term Reserve Quantity for a given settlement period, and therefore reduce the probability of triggering Scarcity Pricing Event, to almost zero.</p>	<p>Following a Margin Warning, any submitted incremental price is substituted by a predefined relatively high price for the purpose of the optimization, however this replacement price does not feed into pricing or settlement.</p>
	<p>One respondent commented requesting clarification on TEG providing ancillary services.</p>	<p>The TEG units are not expected to be scheduled to directly provide ancillary services. When dispatched, they will provide energy (active power), potentially freeing up other units to provide ancillary services.</p>
	<p>A number of respondents commented requesting clarification on Section 5.2.2.3 regarding the pricing of TEG. Such as when dispatched whether TEG units receive payment based on submitted Commercial Offer Data (COD) or the prices used to overwrite the submitted COD.</p> <p>Also, respondents requested further information on how the original submitted COD and pre-determined COD was determined.</p>	<p>The payments will be based on the submitted COD (though infra-marginal rent will not be retained by TEG operators).</p> <p>The prices will be derived from the prices submitted by market participants such that TEG are at the bottom of the merit orders used in the scheduling and dispatch process.</p>

Section / Topic	Summary of Representation(s) Received	TSO Response
Section 5.2 Exceptions - TEG	<p>One respondent commented requesting clarification if interconnector CTPT and CBB trades and 'Emergency Assistance' will be used before dispatching TEG units. They suggested a hierarchy in the BMPS of priority actions would be useful.</p>	<p>The hierarchy of system operation actions is available in the updated Risk Preparedness Plan on the CRU website, linked here: <a href="#">A Risk Preparedness Plan for Ireland - Revised Decision Paper (May 2023)</a>.</p> <p>Where system conditions and time permit, interconnector CTPT and CBB trades are undertaken before the dispatch of TEG units.</p> <p>Emergency Assistance will be used after the dispatch of TEG units.</p>
	<p>One respondent commented requesting clarification on how market participants will be notified of what operational considerations the dispatch of TEG will be based on.</p>	<p>Your comment has been noted and we will consider your comment when reviewing the weekly operational constraint's update publication and in the context of the updated RPP on the CRU website, linked here: <a href="#">A Risk Preparedness Plan for Ireland - Revised Decision Paper (May 2023)</a>.</p>
	<p>One respondent commented requesting further detail on the dispatch of TEG units.</p>	<p>The dispatch of TEG has been detailed in the updated Risk Preparedness Plan approved by CRU: <a href="#">A Risk Preparedness Plan for Ireland - Revised Decision Paper (May 2023)</a>.</p>
	<p>One respondent commented that Appendix 2.3 should be updated to reflect the inclusion of TEG in Section 5.2.</p>	<p>Appendix 2.3 has been updated to refer to exceptional actions as outlined in Section 5.2.</p>
	<p>One respondent commented requesting further information on when TEG units will be included in the system margin calculations.</p>	<p>The market will be notified when TEG has been included in system margin calculations. This will be in the form of a "Margin Warning" issued by the System Operator.</p> <p>The advance notice provided will be determined by system conditions on the day.</p>

Section / Topic	Summary of Representation(s) Received	TSO Response
Section 5.2 Exceptions - TEG	One respondent commented requesting further information on condition 3 in Section 5.2.2.4 System Operations Treatment.	<p>System conditions and time permitting, it is anticipated that all reserve units will be dispatched on in advance of TEG, considering also energy-limited resources and when these are expected to be required.</p> <p>Where interconnector trades can be secured, the interconnectors will be on full import (subject of course to any other potential system constraints at the time).</p> <p>DSUs are be treated as market-based measures - the updated RPP published on the CRU website provides clarity on the dispatch of these (considering their energy-limited run-hours). The updated Risk Preparedness Plan on the CRU website is linked here: <a href="#">A Risk Preparedness Plan for Ireland - Revised Decision Paper (May 2023)</a>.</p>
Section 5.2 - TEG'S impact on the BMPS	A number of respondents commented that other sections of the BMPS should be updated to reflect the inclusion of TEG in Section 5.2.	Additional information on TEG was included in BMPS V6.1 in advance of it being available in the Winter of this year (2023).
Terms and Conditions - TEG	A number of respondents commented that the definition of TEG as 'non-market' was not wholly correct.	<p>TEG is an out of market measure for the following reasons:</p> <ol style="list-style-type: none"> <li>1) TEG unit availability is not determined by plant conditions but by the inability of the market generators to supply system demand securely.</li> <li>2) The TEG units are not allowed to have a commercial strategy and their commercial bids are only cost reflective.</li> <li>3) There is no retained income for TEG.</li> </ol>
Section 3.4.6 - Cross Zonal Trading	One respondent raised concerns about the transparency of cross-zonal trading conducted by the TSO's. And that there was a lack of clarity over the pricing of trades.	Trades are agreed bilaterally between TSO's based on agreed commercial services agreements.
Terms and Condition and Section 3.4 - Interconnector Owner	One respondent commented that the owner of the Moyle interconnector is 'Moyle Interconnector Limited' not 'Mutual Interconnector Limited'.	We have updated BMPS V7.0 accordingly.

Section / Topic	Summary of Representation(s) Received	TSO Response
Section 2.3 Efficient Operation of the SEM	One respondent commented that SONI should also be referenced as well as EirGrid in paragraph three of section 2.3 as SONI are also required to ensure the maximum level of electricity is available on the interconnectors.	We have updated Section 2.3 in BMPS V7.0 to include SONI in paragraph three.
	One respondent requested clarification on the definition of 'emergency' at the top of page 14.	We have updated BMPS V7.0 to include a footnote on page 14 to outline that an emergency situation is defined based on Article 16(2) of Regulation 2019/943.
Section 3.4.6 - Rejecting Proposed Trades	One responded commented on the current wording in section 3.4.6, outlining that current wording is incorrect around the GB TSO rejection of trades and that efficient and economic system operation are not reasons to reject a trade.	There are four reason codes which must accompany a rejection message of a CBB request under the Moyle Operating Protocol. These are as follows: 1) System Security. 2) Inconsistency with the MOYLE ICRP. 3) Inconsistency with declared parameters. 4) Miscellaneous.  A reason can fall outside the first three reasons above and be under 'Miscellaneous'. The TSO must then follow up with details as to why the request was rejected.
Section 4.3.3 - Scheduler Knowledge of Interconnector Schedules	One respondent commented that in section 4.3.3 the wording 'very limited knowledge' was an overstatement as schedulers have the day ahead market prices in GB and SEM available to them.	We have updated BMPS V7.0 to as outlined in Table 2 above.

Table 3: Summary of representations received.

## Publication of a Revised BMPS

As per Condition 10B and 22B of EirGrid and SONI's Transmission System Operator Licenses respectively, if necessary, we will update the BMPS following the review of the Consultation Report by the Utility Regulator and the Commission for Regulation of Utilities.

The BMPS is hosted on both EirGrid and SONI websites, as well as the 'TSO Responsibilities' page of [www.SEM-O.com](http://www.SEM-O.com). Alongside it are published operational processes and methodologies which provide more information on specific aspects of scheduling and dispatch. These process and methodology documents are subject to change without consultation.

# Appendix: Development and Maintenance of the BMPS.

During the I-SEM project the SEM Committee highlighted the need for transparency and predictability of TSO actions in the Balancing Market. The purpose of the BMPS is to provide clarity and certainty to market participants on the timing and nature of TSO actions and to describe how exceptional actions will be reported.

In its 2015 decision on the energy trading arrangements in I-SEM, the SEM Committee (SEMC) supported the development of a Balancing Market Principles Statement (BMPS) by the TSOs to ensure consistency, transparency and comprehensibility of TSO decision making in the Balancing Market. Following an initial consultation with the I-SEM market rules working group, the SEMC consulted publicly on the Terms of Reference for the BMPS before publishing the approved terms in October 2016.

In December 2016, both Regulatory Authorities consulted on modifications to SONI and EirGrid's TSO Licences to incorporate a requirement on both TSOs (in conjunction) to develop and maintain the BMPS in line with the Terms of Reference determined by the SEMC. The decision on the modifications was published in March 2017.

Document	Reference / Date
SEM Committee Decision on Energy Trading Arrangements, Detailed Design	SEM-15-065, 11 <sup>th</sup> September 2015
SEM Committee Decision on Balancing Market Principles Statement Terms of Reference	SEM-16-058, 7 <sup>th</sup> October 2016
Revised SONI Transmission System Operator Licence	Condition 22B, March 2017
Revised EirGrid Transmission System Operator Licence	Condition 10B, March 2017
BMPS First Consultation Version	7 <sup>th</sup> April 2017
BMPS First Consultation Responses	8th September 2017
BMPS First Approved Version 1.0	8th September 2017
BMPS Revised Version 1.1 for Consultation	6 <sup>th</sup> March 2018
BMPS Approved Version 2.0	11 <sup>th</sup> April 2018
BMPS Revised Version 2.1 for Consultation	10 <sup>th</sup> January 2019
BMPS Approved Version 3.0	14 <sup>th</sup> June 2019
BMPS Revised Version 3.1 for Consultation	23 <sup>rd</sup> July 2020
BMPS Approved Version 4.0	14 <sup>th</sup> October 2020

Document	Reference / Date
BMPS Revised Version 4.1 for Consultation	26 <sup>th</sup> February 2021
BMPS Approved Version 5.0	28 <sup>th</sup> April 2021
BMPS Revised Version 5.1 for Consultation	12 <sup>th</sup> April 2022
BMPS Approved Version 6.0	29 <sup>th</sup> July 2022
BMPS Revised Version 6.1 for Consultation	24 <sup>th</sup> April 2023
BMPS Approved Version 7.0	27 <sup>th</sup> June 2023

Table 4: Key milestones in the development and maintenance of the Balancing Market Principles Statement.

The obligations of Condition 22B and 10B of our licences requires us to ensure the BMPS is as accurate as possible. The BMPS will be reviewed on an ongoing basis and any revisions that are required will be consulted on with market participants. We must also engage with the Regulatory Authorities on proposed revisions to the BMPS and submit to them the revised version before publication.