

Balancing Market Principles Statement

Consultation on Revisions

Opening: 12th April 2022

Closing: 5pm 17th May 2022



Introduction

The SEM Committee has highlighted the importance of transparency within the market arrangements. SONI and EirGrid's Balancing Market Principles Statement (BMPS) is a comprehensive transparency resource. The purpose of the document is to increase awareness and visibility of the Transmission System Operators' scheduling and dispatch processes.

Our intention is that the BMPS is informative and comprehensive, striking a balance between detail on the technical complexity of the scheduling and dispatch process and accessibility for informed industry participants.

The format, style and content of the document were consulted before Version 1.0 of the document was published in 2017. The most recent version, [Version 5.0](#), was published in April 2021 following consultation on revisions.

The purpose of this consultation is to present a number of revisions to the BMPS and to seek feedback on those revisions. Stakeholders will note that every effort is made by EirGrid and SONI to review the BMPS on an ongoing basis, with a view to ensuring that its content continues to be accurate and up to date. Notwithstanding this intention, it should be highlighted that 2021 served as a period of transition for the SEM, with a number of changes deriving from EU legislation (including certain Clean Energy Package requirements and the changes resulting from the United Kingdom's withdrawal from the EU). These legislative and regulatory changes have been included in this year's BMPS to provide transparency to the market. Also, as 2021 was a period of transition for a number of processes, in lieu of including these process changes in last year's iteration of the BMPS we have included them in this year's iteration. The BMPS focuses exclusively on the extant codes and licenses that apply in Ireland and Northern Ireland and does not speculate on the outcome of the regulatory approval process. Looking forward, it may therefore be necessary for EirGrid and SONI to amend this BMPS (subject to and in accordance with the applicable license condition in their respective Transmission System Operator Licenses) to ensure that the BMPS remains consistent with the applicable obligations framework.

Proposed Revisions

All proposed revisions are highlighted as tracked changes in the consultation version of the document, Version 5.1, 08th April 2022. There are numerous minor edits to the document to ensure it is contemporary. A summary of other proposed revisions in the document are outlined in Table 1 below.

Section	Update / Reason for Update
2 Obligations	Footnote included for Figure 1 to reference regulations and directives only applicable to Northern Ireland if within scope of the Northern Ireland Protocol.
2.1 Ensuring Operational Security	Updated to reference new electricity directive (EU Directive 2019/944).
2.2 Maximising Priority Dispatch Generation	<ul style="list-style-type: none"> • Paragraph moved to start of section with reference to EU legislation now included. • Article 12 and 13 referenced based on EU Regulation 2019/943 but outlined that these articles are still subject to active regulatory and industry engagement. • Update to Article 15 of Directive 2012/27/EU referenced following publication of the Internal Electricity Market Regulation. • Paragraph included to provide update on the Northern Ireland Protocol, including its effect on the Internal Electricity Market Regulation in Northern Ireland. • Update to outline Article 11AB of the Electricity (Northern Ireland) Order 1992, was amended, partly by virtue of the Electricity (Priority Dispatch) Regulations (Northern Ireland) 2020.
2.3 Efficient Operation of the SEM	<ul style="list-style-type: none"> • Article 12 updated to Article 40 of the Recast Internal Electricity Market Directive. • Updated based on Capacity Allocation and Congestion Management (CACM) no longer applying on the SEM/Great Britain border. • Updated to outline SEM compliance with EBGL is on hold until reconnection to EU through proposed Celtic interconnector.
2.5 Implementation of Obligations	Article 16 paragraph 2 of the RES directive updated to Article 13 (5) of the Internal Electricity Market Regulation.

Section	Update / Reason for Update
3 Obligations	Figure 3 updated as only the intraday interconnector schedules are received. Figure 3 also updated to reflect no commercial system services data being used.
3.1.2 Scheduling and Dispatch Policy Parameters	LNAF and SIFF document updated to reflect latest report decision for 2022.
3.3 Ex-Ante Market Interconnector Schedules	Section update to reflect that we no longer receive day ahead ex-ante interconnector schedules due to the UK leaving the EU. We have also provided an update on the ongoing work between SONI and UK TSO's to develop a proposal for a new day ahead capacity calculation.
3.4.3 Constraints	<ul style="list-style-type: none"> • Figure 5 updated to remove IRL negative reserve removed and IRL/NI changed from 3 and 5 units must run to min units must run. 'OCGT' removed as possibility that other service providers could support the replacement reserve process. • Monthly constraints report has been merged into the weekly constraints report where all relevant information is published on a weekly basis.
3.4.5 Interconnector Technical Data 3.4.6 Prices and Volumes for Cross-Zonal Actions	No longer receive ex-ante interconnector schedules, all interconnector schedules are intra-day.
3.4.6 Prices and Volumes for Cross-Zonal Actions	<ul style="list-style-type: none"> • Updated to include set down of maximum transfer capacity on the interconnectors for security reasons. • Update to indicate that CBB volume cap of 200MW can be exceeded if agreed. • Cross-Border Balancing CBB volumes are capped at 200MW but can be exceeded with agreement between EirGrid/SONI and the GB TSO.
4.2 Input Data Processing	Included current limitations on the treatment of Battery Storage Units and added detail on scheduling and dispatch of Energy Limited Generator units (Hydro Units).

Section	Update / Reason for Update
4.3.3 Scheduling Run Types: LTS, RTC and RTD	Update to include note on artificial interconnector schedules for the first day ahead LTS run after December 2020 and initially will be set to zero but may vary.
4.3.3 Scheduling Run Types: LTS, RTC and RTD	Updates to outlined that in some cases, the interconnector schedules may vary from zero to reflect more realistic estimates of the interconnector schedules.
5.1 Typical Operational Activity	Updates to include typical daily task of determining the max transfer capacity on the interconnectors.
5.3 Audit	Updated to include results of 2020 independent assurance audit report.
6.2 Operational Data	Updated to include solar data and monthly constraints report now a weekly report.
Appendix 1 Obligations Framework	Note added on EU legislation only being applicable to Northern Ireland if it is within the scope of the Northern Ireland Protocol.
Appendix 1.1 to 1.5	Tables updated to reflect clean energy package, Northern Ireland Protocol, priority dispatch updates and any regulation updates.
Appendix 2.3 Dispatch and Control Actions	Updated to outlined determination of maximum transfer capacities is now a daily process included in scheduling role.

Table 1: Summary of proposed revisions in BMPS version 5.1.

Participating in this Consultation

The proposed revisions are presented for consultation by EirGrid and SONI in accordance with our Transmission System Operator License obligations (Condition 22B of SONI's and Condition 10B of EirGrid's TSO licenses) and SEM Committee decision SEM-16-058 'Balancing Market Principles Statement Terms of Reference'.

Respondents should focus their feedback on the proposed revisions only. The [consultation report from the previous consultation](#) will provide an indication of previous feedback and out of scope comments. **Responses to this consultation should be sent to BMPS@EirGrid.com or BMPS@SONI.ltd.uk before 5pm on Tuesday 17th May 2022.**

Please note:

- Late submissions will not be accepted to ensure a consultation report is compiled and issued to the Regulatory Authorities within 7 days of the closing date as required by our Transmission System Operator Licenses.
- We intend to publish all responses to the consultation. If you do not want your response to be published please state this clearly in your response.
- We will submit all responses, the consultation report and a proposed new version of the BMPS to the Regulatory Authorities with the intention of publishing an updated BMPS in June 2022.



Figure 1: Timeline to Publication of Version 6. *Unless directed otherwise by the Regulatory Authorities

Future Revisions

We will continue to monitor, review and update the BMPS on an enduring basis, in line with our license obligations. Any revisions which may be required will be subject to further public consultation and engagement with the Utility Regulator in Northern Ireland and the Commission for Regulation of Utilities in Ireland.