

From the office of the Chief Executive

Robin McCormick SONI Limited Castlereagh House 12 Manse Road Belfast BT6 9RT

Our Ref: WM031-11-453

16 October 2017

Dear Robin

RE: Approval of Balancing Market Principles Statement – SONI Limited Transmission Licence Condition 22B

SONI Limited's Transmission Licence has undergone statutory consultations on modifications, with subsequent decisions (July 2016 and March 2017) to give effect to decisions of the SEM Committee relating to the revised SEM arrangements.

On 26 July 2017, the Authority directed that the provisions of Condition 22B (Balancing Market Principles Statement) should come into effect.

Paragraph 1 of Condition 22B requires SONI Limited when directed to do so, and in conjunction with the Republic of Ireland System Operator, to prepare a Balancing Market Principles Statement ("BMPS"), being a document which i) describes the Licensee's scheduling and dispatch process within the Balancing Market; and ii) sets out the Licensee's reporting regime for occasions when it has acted in exception to the processes and procedures set out in the statement.

On 2 August 2017, the Authority directed SONI Limited to prepare a Balancing Market Principles Statement. On 8 September 2017, SONI Limited submitted the Balancing Market Principles Statement



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to the Authority. The Authority notes that the BMPS has been developed over a number of months and has been consulted on with stakeholders.

Paragraph 2 of Condition 22B requires the Balancing Market Principles Statement to be in a form approved by the Authority and shall be based upon and fully comply with the BMPS Terms of Reference.

Having consulted with the Irish Commission for Regulation of Utilities, the Authority provides such approval.

Yours sincerely

Jenny Pyper

Chief Executive

cc. Jo Aston