

DS3 System Services Statement of Payments

Applicable from 1st October 2016 to 30th September 2017

This Statement has been approved by the Commission of Energy Regulation



CONTACT DETAILS

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This statement is obtainable from the EirGrid website (www.eirgrid.com).

INTRODUCTION

This statement of payments and charges sets out the payment rates and charge rates/parameters for DS3 System Services in Ireland with effect from 1st October 2016.

This Statement has been prepared by EirGrid and has been approved by the Commission for Energy Regulation (CER).

- The payment and charge arrangements are contained in the DS3 System Services interim contracts.
- The payment arrangement for Rate of Change of Frequency (RoCoF) Incentive Mechanism.

Interested parties may find further useful information on these services on the EirGrid website www.eirgrid.com.

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1. DS3 System Services Interim Tariff Rates

The table below sets out the payment rates applicable to DS3 System Services Interim arrangement¹. This is in line with the DS3 System Services Interim Tariffs decision paper² published on 24th August 2016.

| Service Name | Unit of Payment | Final Tariff Rate (€) |
|--|--------------------|-----------------------|
| Synchronous Inertial Response (SIR) | MWs ² h | 0.0046 |
| Fast Frequency Response (FFR) | MWh | 2.06 |
| Primary Operating Reserve (POR) | MWh | 2.93 |
| Secondary Operating Reserve (SOR) | MWh | 1.78 |
| Tertiary Operating Reserve (TOR1) | MWh | 1.41 |
| Tertiary Operating Reserve (TOR2) | MWh | 1.12 |
| Replacement Reserve – Synchronised (RRS) | MWh | 0.23 |
| Replacement Reserve – Desynchronised (RRD) | MWh | 0.50 |
| Ramping Margin 1 (RM1) | MWh | 0.10 |
| Ramping Margin 3 (RM3) | MWh | 0.16 |
| Ramping Margin 8 (RM8) | MWh | 0.14 |
| Fast Post Fault Active Power Recovery (FPFAPR) | MWh | 0.14 |
| Steady State Reactive Power (SSRP) | MVarh | 0.21 |
| Dynamic Reactive Response (DRR) | MWh | 0.04 |

¹ <http://www.eirgridgroup.com/site-files/library/EirGrid/DS3-System-Services-Interim-Tariffs-FINAL.pdf>

² <http://www.eirgridgroup.com/site-files/library/EirGrid/DS3-System-Services-Decision-Paper-on-Interim-Tariffs-FINAL.pdf>

2. Rate of Change of Frequency Incentive Mechanism

The Rate of Change of Frequency (RoCoF) remuneration mechanism was approved in the following SEM committee Decision paper³ (SEM-16-021) which was published on 31 May 2016. It provided for the daily early incentive payment rates effective from 1st March 2016 to 31st May 2016 for all eligible units and 1st June 2016 to 28th February 2018 as set out below in Table 1 & 2 below.

The table below sets out the daily early incentive payment rate effective from 1st March 2016 to 31st May 2016 for all eligible units:

| Registered Capacity (MW) | 1 st March 2016 to 31 st May 2016 |
|--------------------------|---|
| >= 400 | € 1,875.00 |
| >= 300 | € 1,406.25 |
| >= 200 | € 937.50 |
| >=100 | € 468.75 |
| >=50 | € 281.25 |
| <50 | € 93.75 |

Table1: Daily rate effective from 1st March 2016 to 31st May 2016

The payment is scaled in a fashion that the day rate decreases in each six month period. The table below sets out the daily payment rate effective from 1st June 2016 to 28th February 2018 for all eligible units:

| Registered Capacity (MW) | 1 st Jun 2016 to 30 th Nov 2016 | 1 st Dec 2016 to 31 st May 2017 | 1 st Jun 2017 to 30 th Nov 2017 | 1 st Dec 2017 to 28 th Feb 2018 |
|--------------------------|---|---|---|---|
| >= 400 | € 1,500.00 | € 1,125.00 | € 750.00 | € 375.00 |
| >= 300 | € 1,125.00 | € 843.75 | € 562.50 | € 281.25 |
| >= 200 | € 750.00 | € 562.50 | € 375.00 | € 187.50 |
| >=100 | € 375.00 | € 281.25 | € 187.50 | € 93.75 |
| >=50 | € 225.00 | € 168.75 | € 112.50 | € 56.25 |
| <50 | € 75.00 | € 56.25 | € 37.50 | € 18.75 |

Table 2: Daily rate effective from 1st June 2016 to 28th February 2018

More detail information with examples illustrating this payment scheme can be found in the presentation slides from the RoCoF industry workshop held on 11 March 2016⁴.

³ https://www.semcommittee.com/sites/semcommittee.com/files/media-files/SEM-16-027%20SEM%20RoCoF%20Remuneration%20Mechanism%20Decision%20Final_0.pdf

⁴ <https://eirgrid.app.box.com/v/ds3workshops/1/7319723381>