

DS3 System Services: Statement of Payments

Applicable from 01st January 2022



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Introduction

This statement of payments and charges sets out the payment rates and charge rates/parameters for DS3 System Services Regulated Arrangements with effect from 1st January 2022. This supercedes the statement of payments that was applicable from 1st May 2018¹.

This Statement has been prepared by the TSOs and has been approved by the SEM Committee.

- The payment and charge arrangements for DS3 System Services are detailed in the DS3 System Services Regulated Arrangements contracts.
- Subject to Regulatory Authority (RA) approval, the TSOs may review and adjust the payment rates in the Charging Statement.

DS3 System Services Payment Rates

These changes to the DS3 System Services Regulated Arrangements payment rates follow an industry consultation process conducted by EirGrid and SONI on the management of the overall System Services budget, as directed by the RAs.

A consultation paper² was published on 28th May 2021. This followed information notes issued to industry on 07th May 2021³ and 16th September 2020⁴ advising of the potential for the System Services annual expenditure cap of €235m to be breached. Following feedback from consultation respondents, the TSOs submitted a recommendations paper⁵ to the RAs on 9th August 2021.

On the 23rd November 2021, the SEM Committee approved the rates set out in table 1 below for DS3 System Services Regulated Arrangements payments, which are effective from 1st January 2022. This represents a 10% reduction in payment rates (relative to the 2018 DS3 Statement of Charges¹) for the FFR, POR, SOR, TOR1 and TOR2 services. The payment rates for all other services are unchanged.

¹ <https://www.eirgridgroup.com/site-files/library/EirGrid/DS3-System-Services-Statement-of-Payments-2018.pdf>

² <https://www.eirgridgroup.com/site-files/library/EirGrid/DS3-System-Service-Tarrif-Review-Consultation-28-05-2021.pdf>

³ <https://www.eirgridgroup.com/site-files/library/EirGrid/DS3-System-Services-Expenditure-Note-May-2021.pdf>

⁴ <http://www.eirgridgroup.com/site-files/library/EirGrid/DS3-System-Services-Expenditure-Note-16092020.pdf>

⁵ <https://www.eirgridgroup.com/site-files/library/EirGrid/DS3-System-Services-Expenditure-Recommendation-09-08-2021.pdf>

Service	Service Name	Unit	Payment Rate (€)
SIR	Synchronous Inertial Response	MWs ² h	0.0050
FFR	Fast Frequency Response	MWh	1.94
POR	Primary Operating Reserve	MWh	2.92
SOR	Secondary Operating Reserve	MWh	1.76
TOR1	Tertiary 1 Operating Reserve	MWh	1.40
TOR2	Tertiary 2 Operating Reserve	MWh	1.12
RRD	Replacement Reserve (De-Synchronised)	MWh	0.56
RRS	Replacement Reserve (Synchronised)	MWh	0.25
RM1	Ramping Margin 1 Hour	MWh	0.12
RM3	Ramping Margin 3 Hour	MWh	0.18
RM8	Ramping Margin 8 Hour	MWh	0.16
SSRP	Steady State Reactive Power	MVarh	0.23
DRR	Dynamic Reactive Response	MWh	0.04
FPFAPR	Fast Post Fault Active Power Recovery	MWh	0.15

Table 1: DS3 System Services Regulated Arrangementx payment rates (€) effective 01st January 2022⁶

⁶ Further detail on the DS3 System Services can be found at: <http://www.eirgridgroup.com/how-the-grid-works/ds3-programme/> <https://www.soni.ltd.uk/how-the-grid-works/ds3-programme/>