

# Balancing Market Principles Statement

Consultation on Revisions

Opening: 20 May 2024

Closing: 5pm 19 June 2024



# 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 7.0](#), was published in June 2023 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. 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 and underlined in the consultation version of the document, Version 7.1, 20<sup>th</sup> May 2024. There are numerous minor edits to the document to ensure it is contemporary. A summary of the main proposed revisions in the document are outlined in Table 1 below.

Section	Update / Reason for Update
Important Information	EirGrid Grid Code version updated to Version 13, 30th January 2024.
	SONI Grid Code version updated to Version 9, 09th December 2023.
	Trading and Settlement Code Part B updated to Version 28, 18th August 2023.
Terms and Definitions	Common Grid Model (CGM) added.
	Individual Grid Model (IGM) added.
	Regional Coordination Centres (RRC) definition added.
	Synchronous Condenser definition updated.
2 Obligations	Update to Figure 1: Obligations Framework.
2.1 Ensuring Operational Security	IGM and CGMs are an important aspect of operational and regional security in SOGL as a result a reference to these was inserted.
2.2 Maximizing Priority Dispatch	A Reference to SEM-22-009 was added to the latest SEM proposed decision papers.
2.3 Efficient Operation of the SEM	Paragraph on license obligations was moved from the end of the section to the start of the section.
3.1.1 Priority Dispatch	Sentence added: “This priority dispatch hierarchy is being updated to align with the delivery of the Scheduling and Dispatch Programme.”
3.1.2 Scheduling and Dispatch Policy Parameters	SEMC decision paper updated to latest version SEM-23-052a.
3.2.2 Unit Commercial Data	Sentences added on Future Arrangements for System Services (FASS).
3.3 Ex-Ante Market Interconnector Schedules	Update to sentence on the commitments made by the governments within the Trade and Cooperation Agreement.
3.4.2 Renewable Forecast	Sentences added on the impact of solar micro generation on demand profiles.
3.4.3 Constraints	Security of Supply was added to the Reserve (Frequency Limits) column in Figure 5: Illustration of Power System Constraints.
3.4.6 Prices and Volumes for Cross-Zonal Actions	Sentence added: “Further to decision paper SEM-24-025 the TSOs’ are enhancing transparency associated with NTC reductions by publishing sufficient detail that explains the basis for the setting down the NTC.”

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3.4.7 Real-Time System Conditions	“Maximum and minimum MWh charge capacity of batteries” added and “real-time contingency analysis results” removed.
4 The Scheduling and Dispatch Process	Paragraph added introducing the Scheduling and Dispatch Programme.
4.2 Input Data Processing	Note added to explaining that the Scheduling and Dispatch Programme’ includes the improvement of the treatment of Synchronous condenser units in the central market systems.
4.4.4 Battery ESPS Units	Updates made to reflect the evolving interim battery solution. This section now highlights that ESPS units are providing a significant portion of our frequency containment reserve and energy over peak demand.
4.6 Data to Pricing and Settlement Systems	<p>Two Paragraphs were substantially revised to now read: “Where System Operator flags and Net Imbalance Volume tags are not determined (e.g. when a dispatch instruction is received greater than 20 minutes late and misses the Imbalance Price calculation) the implication on Balancing Market Settlement is that the System Operator flags and Net Imbalance Volume tags are set to 1, as per TSC F.3.3.2(i) and (ii). This could result in the affected unit(s) being settled on Simple Commercial Offer Data.</p> <p>However, when System Operator flags and NIV tags are not available for all Imbalance Pricing Periods in an Imbalance Settlement Period and for all units (e.g., during planned or unplanned outages), the default logic is that units are settled on Complex Commercial Offer Data in that Imbalance Settlement Period. This logic was introduced with MOD_19_19 in November 2020.”</p>
5.1 Typical Operational Activity	“Storms (Amber/Orange and above as per the Met Éireann and UK Met Office classifications respectively )” was added to the Exception column in the table
5.2.1 Overview	TEG availability dates have been removed and have been addressed in the updated 5.2.2.1 Background section.
5.2.2.1 Background	The latest update from the CRU outlining the progress of the TEG programme has been added.
5.2.2.4 System Operation Treatment	Additional sentences added; “TEG units may be dispatched to confirm their availability and response times under operational testing. This is in line with the process for other thermal units that are not regularly dispatched via the balancing market.”
5.3 Audit	Link to the latest independent assurance report has been added.
Appendix 1 Obligations Framework	Sentences added; “As outlined in the section of the BMPS titled ‘Important Information’ on page 2, the legislation and other obligations listed in this Appendix 1 are subject to change from time

Section	Update / Reason for Update
	to time. This Appendix 1 is intended as a guide and list of key obligations, and should not be considered exhaustive.”
Appendix 1.1 Overview	Regulatory decisions row was updated to include “The position of RA decisions in the obligation hierarchy depends on the vires applicable to that decision. Key SEM Committee Decisions include the following:”
Appendix 1.2 Operational Security Obligations Framework	Regulatory decisions row removed from table as SEM-15-065

Table 1: Summary of proposed revisions in BMPS version 7.1.

## 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](mailto:BMPS@EirGrid.com) or [BMPS@SONI.ltd.uk](mailto:BMPS@SONI.ltd.uk) before 5pm on Wednesday 19<sup>th</sup> June 2024.**

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 July 2024.



**Figure 1: Timeline to Publication of Version 8.0 \*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.