The rules for suspension and restoration of market activities for Ireland in accordance with the requirements of Article 36(1) and Article 7

And

The specific rules for imbalance settlement and settlement of balancing energy in case of suspension of market activities for Ireland, in accordance with Article 39(1) and Article 7

Both in accordance the Commission Regulation (EU) 2017/2196 Establishing a network code on electricity emergency and restoration

16th October 2020



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1.Introduction

In accordance with <u>COMMISSION REGULATION (EU) 2017/2196 of 24 November 2017</u> <u>"establishing a network code on electricity emergency and restoration"</u> (referred to as NCER), the Transmission System Operators (TSO) of a member state are required to consult on following proposals prior to submission to the relevant regulatory authority for approval:

- Market Suspension Rules, comprising of;
 - the rules for suspension and restoration of market activities, in accordance with NCER Article 36(1);
 - specific rules for imbalance settlement and settlement of balancing energy in case of suspension of market activities, in accordance with NCER Article 39(1);

We consulted on our proposal from 14 November 2018 to 12 December 2018 and received no responses. On 18 December 2018 we submitted our proposal to the Commission for Regulation of Utilities (CRU) for approval. On 2 September 2019 the CRU published a decision to not approve the proposal and sought amendments to the documents submitted by us. The purpose of this document is to consult on the revised proposals.

This public consultation is produced by EirGrid plc in its role as the Transmission System Operator in Ireland (hereafter referred to as the 'TSO').

¹ <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R2196&from=en</u>

2. Public Consultation

EirGrid held a consultation on our proposed Design of the System Defence Plan for Ireland in accordance with the requirements of Articles 11 and 4.5 of the Commission Regulation (EU) 2017/2196 establishing a network code on electricity emergency and restoration of the Commission Regulation (EU). This consultation opened on 8 July 2020 for an extended period of 6 weeks until 21 August 2020. It was available to download on the EirGridGroup and ESBN websites and was discussed at the All Island Forum on 12 August 2020.

2.1 Summary of Responses

EirGrid (TSO) and ESBN (DSO) received no submissions on the consultations.

3.Rules for suspension and restoration of market activities

3.1 NCER Code Provisions

NCER Article 35(1) makes provision for TSOs to temporarily suspend one or more specified market activities under a number of circumstances:

"1. A TSO may temporarily suspend one or more market activities laid down in paragraph 2 where:

(a) the transmission system of the TSO is in blackout state; or

(b) the TSO has exhausted all options provided by the market and the continuation of market activities under the emergency state would deteriorate one or more of the conditions referred to in Article 18(3) of Regulation (EU) 2017/1485; or

(c) the continuation of market activities would decrease significantly the effectiveness of the restoration process to the normal or alert state; or

(d) tools and communication means necessary for the TSOs to facilitate market activities are not available."

Article 35(2) lists the market activities that the TSO may temporarily suspend. Subsections (a-e) are activities related to transfer of data from one entity to another:

"(a) the provision of cross zonal capacity for capacity allocation on the corresponding bidding zone borders for each market time unit where it is expected that the transmission system shall not be restored to the normal or alert state;

(b) the submission by a balancing service provider of balancing capacity and balancing energy bids;

(c) the provision by a balance responsible party of a balanced position at the end of the day-ahead timeframe if required by the terms and conditions related to balancing;

(d) the provision of modifications of the position of balance responsible parties;

(e) the provision of schedules referred to in Article 111(1) and (2) of Regulation (EU) 2017/1485"

Article 35(2) (f) relates to "other relevant market activities the suspension of which is deemed necessary to preserve and/or restore the system".

3.2 Current SEM Market Design

The new market design for the SEM, implemented in 2018, is largely based on the EU model of firm ex-ante markets followed by real time balancing. The ex-ante market consists of a number of auctions starting with a fully coupled day-ahead market using the EUPHEMIA algorithm. All generators and retailers (supplier units) trade in the ex-ante markets to get firm positions. The day-ahead and two further intraday auctions (coupled regionally with the GB market) also determine cross border power flows on the interconnectors in the SEM. After the ex-ante markets have resolved, generators submit Physical Notifications to the TSOs based on their cleared ex-ante positions and the TSOs use these as the starting point for their scheduling and dispatch processes. As part of this process, the TSOs use security constrained unit commitment and economic dispatch tools to determine revised positions, seeking to minimise the costs of redispatch while meeting other regulatory requirements, security of supply obligations, respecting system and generator constraints and resolving requirements for balancing energy if the market positions from the ex-ante trading are either long or short. Actions taken by the TSO are flagged based on whether they were required for system reasons or to maintain energy balancing. Actions flagged for system reasons are excluded from the process that sets the Imbalance Settlement Price used in imbalance settlement.

The rules of the Balancing Market are documented in the <u>Trading & Settlement Code²</u> (T &SC) while the governance of the ex-ante markets is set out in the <u>EU 2015/1222 of 24</u> July 2015 "establishing a guideline on Capacity Allocation and Congestion <u>Management</u>"³.

² <u>https://www.semcommittee.com/trading-and-settlement-code</u>

³ <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R1222&from=EN</u>

In considering the rights and options documented in NCER, Article 35(1) (a) gives the TSOs the option of amending the cross zonal capacity during emergency events. In this manner, the TSO can set the cross zonal capacity to zero to effectively de-couple the exante market from adjacent jurisdictions, thus minimising the risk of market results potentially adversely impacting on the restoration processes (for example, by scheduling interconnectors to export from the island). This will allow participants to continue trading their ex-ante positions and will enable them to hedge positions; especially for suppliers, rather than risk exposure to the potentially volatile imbalance prices. This also ensures that there is a set of ex-ante prices available for the calculation of the Market Back up Price under the Trading & Settlement Code, should this be required.

The settlement of balancing actions is defined in detail in the Trading & Settlement Code and this includes a set of rules for Administered Imbalance Settlement (section G.17). These rules cover both a General System Failure and Electrical System Collapse. In the event of collapse of the electrical system, including a total system blackout, these rules apply.

The Market Back up Price, determined from the ex-ante prices, is used in place of an actual Imbalance Settlement Price. Immediate imbalance settlement is calculated by determining an imbalance volume based on metered quantities less all ex-ante trades multiplied by this price. This will ensure that significant cash flows are not adversely impacted but are also settled based on prices that have been determined in an open market place. When the system is restored, settlement will be recalculated based on the actual detailed algebra set out in the T&SC using Commercial Offer Data as submitted by Participants where appropriate.

For events where there has been a major loss of telecommunications facilities between Participants and the Market Operator, a General Communication Failure will be declared by the TSO. Under this process, communications methods provided under Agreed Procedure 7 to the T&SC (Emergency Communications) are applied.

In this circumstance, the TSO will still have access to recently submitted Commercial Offer Data (COD) that exists within its information systems. With this data, the TSO can still schedule the power system based on latest submitted data. The Gate Window for

each Trading Day is opened in the Central Market Systems 19 days ahead of the Trading Day and uses a set of default COD submitted and maintained by each Participant. Once the Gate Window is opened, Participants can update the COD with more recent data as required. <u>This process means that in the worst case scenario,</u> where no communications are possible, the TSO still have default COD to continue the markets indefinitely.

Where a major loss of National Control Centre computing facilities has occurred or any other market systems failure (e.g. as a result of a cyber-attack), a General System Failure will be declared. During this event, the processes provided under Agreed Procedure 7 to the T&SC (Emergency Communications) are again applied. Under a General System Failure, the Market Operator is empowered to delay key settlement functions until necessary data is available and systems are restored. Hence the Market Operator can delay moving to Administered Imbalance Settlement, if this is prudent to do so. This allows the market to be settled on accurate data as soon as it becomes available, minimising disruption. Also, by using data submitted to the market systems by Participants, this ensures that the integrity of the market is being maintained as much as is possible.

<u>Because these options are provided for and detailed within the T&SC, market</u> <u>arrangements are able to continue while system restoration actions are completed.</u> <u>Given this, we believe that the TSOs do not need to suspend market activities as</u> <u>permitted under NCER as the remedies and rules required during emergency</u> <u>restoration are already in place in the T&SC.</u>

Given that in a worst case scenario the TSO will still have default COD indefinitely, we believe this covers all scenarios including long duration incidents. The T&SC also includes provisions for Force Majeure which may be necessary under some circumstances.

Regarding the capacity market, the timing and processes of this market are not interacting with the expected timeline and processes of real-time operation of the system. The availability of systems should not be an issue as the auction is a single distinct event, which could be held at a different time, rather than a continuous process to be maintained. Therefore, the capacity market auction process would not affect the ability to

manage the system in an emergency or blackout state, and therefore does not need to be suspended. The capacity payments and charges, settlement items largely tied to the auction outcomes, are settled monthly and therefore less likely to interact with the potential suspension event. However, they are included in those items which can be continued to be settled under the Administered Imbalance Settlement arrangements. The difference payments and charges would be recalculated as part of resettlement, providing an important signal to the market regarding performance in such an event. Therefore settlement related to the capacity market is expected to continue either within the period of an event occurring or after the event has ended allowing for these items to be resettled, and not needing to be suspended.

3.3 Proposals and Rationale

Table 1 below outlines in detail our proposals and rationale regarding each market activity that TSOs may temporarily suspend in each circumstance they may suspend them.

		Reason for temporary TSO suspension	on (Article 35 (1))	
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and
	blackout state;	provided by the market and the	would decrease significantly the	communication means
Markat activity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs
Market activity that may	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market
be suspended (Article 35	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.
		2017/1485;		(e.g. General System
				Failure and General
				Communication Failure)
(a) the provision of cross	Given the small number of interconnector's in-site	u or proposed (all HVDC) the provision of cro	ss zonal capacity data required for capacity	Can be provided by
zonal capacity for capacity	allocation is a very small overhead and will be co	phone if ICMP goes		
allocation on the	completed outside of the control centre and just i	down.		
corresponding bidding zone	and reason code into the Interconnector Manage			
borders for each market	twice a day; before the IDA1 and IDA2 Gate Clos			
time unit where it is	granularity in terms of timeframes to change NTC			
expected that the				
transmission system shall	There are no advantages in terms of market effic			
not be restored to the	including for long duration scenarios.			
normal or alert state;				
(b) the submission by a	As Balancing Market participation is mandatory	Not applicable as the submission by a	Not applicable as the submission by a	We do not need to
balancing service provider	in the I-SEM "balancing service providers" do	balancing service provider of balancing	balancing service provider of balancing	suspend as we have
of balancing capacity and	not provide balancing capacity or energy bids,	energy bids would not deteriorate one or	energy bids would not decrease	default COD for all
balancing energy bids;	they instead provide Integrated Scheduling	more of the conditions referred to in	significantly the effectiveness of the	market units as backup
	Process bids through which all available	Article 18(3) of Regulation (EU)	restoration process to the normal or alert	if we are unable to
	capacity is made available to the balancing	2017/1485.	state.	receive submissions.
	market. There is no reason for us to suspend			

Table 1: Proposal and rationale regarding suspension of each of the activities 35 (2) (a-e)

	Reason for temporary TSO suspension (Article 35 (1))				
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and	
	blackout state;	provided by the market and the	would decrease significantly the	communication means	
Market activity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs	
be suspended (Article 35	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market	
(2))	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not	
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.	
		2017/1485;		(e.g. General System	
				Failure and General	
				Communication Failure)	
	this activity as it in no way impedes the				
	restoration of the system and it means that				
	commercial offer data is immediately available				
	when the system is restored, providing				
	information on what it costs to run units and				
	therefore how to keep them whole for their				
	actions during restoration.				
	There may be market efficiency/DBC costs				
	advantages to suspending this activity as it				
	would prevent Market Participants from				
	submitting updated "uneconomic" Simple COD				
	knowing the state of the system. However, to				
	suspend on this basis would not be in the spirit				
	of the code as it would not be "strictly				
	necessary". We believe this potential market				
	inefficiency would be better explored through				
	the Trading and Settlement Code modification				
	process which would allow proper discussion				

	Reason for temporary TSO suspension (Article 35 (1))				
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and	
	blackout state;	provided by the market and the	would decrease significantly the	communication means	
Market activity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs	
Market activity that may	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market	
be suspended (Article 35	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not	
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.	
		2017/1485;		(e.g. General System	
				Failure and General	
				Communication Failure)	
	rather than TSO subjectivity on when to				
	suspend this activity. Also, it is very likely that a				
	Trading and Settlement Code modification				
	would be required anyway in the case of TSO				
	suspension.				
	There are no advantages in terms of pricing or				
	settlement, including for long duration				
	scenarios, to suspending this activity as in this				
	scenario as per the Trading and Settlement				
	Code the back-up price will be used (there will				
	be no re-pricing) and resettlement will follow.				
(c) the provision by a	Not applicable as I-SEM does not require a balan	ce responsible party to provide a physically b	palanced position at the end of the day-ahead	d timeframe. ECC	
balance responsible party of	(Emergency Control Centre) provide the traded position information close to real-time only for reasons of calculating Market Back Up Prices, and they are used in				
a balanced position at the	settlement, they are not needed in advance of real-time as they are not used in dispatch of units. There are means of receiving this data manually if the normal				
end of the day-ahead	channels are not available and therefore no need	to suspend.			
timeframe if required by the					
terms and conditions related					
to balancing;					

	Reason for temporary TSO suspension (Article 35 (1))				
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and	
	blackout state;	provided by the market and the	would decrease significantly the	communication means	
Market activity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs	
be suspended (Article 35	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market	
	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not	
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.	
		2017/1485;		(e.g. General System	
				Failure and General	
				Communication Failure)	
(d) the provision of	d) the provision of There is no requirement to suspend this activity as the electricity system is operated to the 'central dispatching model' and the 'integrated				
modifications of the position	nodifications of the position scheduling processes is applied. In a self-dispatch system energy providers go directly to their (physical notifications) PN position unless		r (physical notifications) PN position unless	ante position which TSO	
of balance responsible	balance responsible instructed otherwise by the TSO. In the emergency and restoration states TSOs of self-dispatch systems may not want the energy			does not facilitate.	
parties;	providers moving around based on their changing PNs so may want to suspend this activity. As Ireland and Northern Ireland is centrally				
	dispatched any modification to the PN or traded position has no direct effect on how the energy providers are dispatched so therefore				
	there is no need to suspend this activity.				
	There are no market efficiency/DBC costs implic	ations to not suspending this activity, including	g for long duration scenarios, as it relates to		
	trading which is at market participants' risk and v				
	terms of pricing and settlement to not suspending	g this activity, in fact allowing this activity to co	ontinue would mean more prices reflective		
	of the real-time value of energy in that particular	up price.			
(e) the provision of	This relates to the provision of two items; interconnector schedules and PNs from generators. There is no reason for the TSO to suspend			Suspending would not	
schedules referred to in	these activities as they do not impact on the TSC	O's ability to restore/preserve the system.		make any difference as	

	Reason for temporary TSO suspension (Article 35 (1))				
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and	
	blackout state;	provided by the market and the	would decrease significantly the	communication means	
Market activity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs	
be suspended (Article 35	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market	
	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not	
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.	
		2017/1485;		(e.g. General System	
				Failure and General	
				Communication Failure)	
Article 111(1) and (2) of	From a market efficiency/DBC (Dispatch	From a market efficiency/DBC costs	From a market efficiency/DBC costs	both would default to	
Regulation (EU) 2017/1485	Balancing Costs) costs perspective we believe	perspective we believe that market	perspective we believe that market	zero.	
	that market participants should be allowed to	participants should be allowed to reflect	participants should be allowed to reflect		
	reflect their position in PNs and it is the market	their position in PNs and it is the market	their position in PNs and it is the market		
	participants' risk. From a settlement	participants' risk. From a pricing and	participants' risk. From a settlement		
	perspective, including for long duration	settlement perspective, including for long	perspective it would be better not to		
	scenarios, it would be better not to suspend so	duration scenarios, it would be better not	suspend, including for long duration		
	that balancing quantities better reflect	to suspend so that balancing quantities	scenarios, so that balancing quantities		
	deviations from traded positions. There are no	better reflect deviations from traded	better reflect deviations from traded		
	pricing implications as the back-up price will be	positions.	positions. There are no pricing		
	used (there will be no re-pricing).		implications as the back-up price will be		
			used (there will be no re-pricing).		
(f) Other relevant market	Three market activities were considered for suspe	ension below; Balancing Market (including fut	ure EU Balancing Market), Day-Ahead Mark	et and Intra-Day Markets	
activities the suspension of	(including future X-BID)				
which is deemed necessary					
to preserve and/or restore					
the system.					
Balancing Market	We do not believe that this could be suspended	We do not believe that this could be	We do not believe that this could be	We do not believe that	

		Reason for temporary TSO suspension	on (Article 35 (1))	
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and
	blackout state;	provided by the market and the	would decrease significantly the	communication means
Market activity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs
Market activity that may	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market
be suspended (Article 35	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.
		2017/1485;		(e.g. General System
				Failure and General
				Communication Failure)
Suspension (including future	under Article 35 (2) (f) as we could not deem it	suspended under Article 35 (2) (f) as we	suspended under Article 35 (2) (f) as we	this could be suspended
EU Balancing Market)	"necessary to preserve and/or restore the	could not deem it "necessary to preserve	could not deem it "necessary to preserve	under Article 35 (2) (f)
	system". Balancing market operation will not	and/or restore the system". Balancing	and/or restore the system". Balancing	as we could not deem it
	affect decisions made to restore system.	market operation will not deteriorate any	market operation will not affect decisions	"necessary to preserve
		of the conditions referred to in Article	made to restore system.	and/or restore the
	Even if Article 35 (2) (f) did allow for us to	18(3) of Regulation (EU) 2017/1485.		system".
	suspend the balancing market we would not, as		Even if Article 35 (2) (f) did allow for us to	
	we want to ensure the ability for market	Even if Article 35 (2)(f) did allow for us to	suspend the balancing market we would	We also have backup
	participants to recover costs for their units.	suspend the balancing market we would	not, as we would want to ensure the	procedures in place to
	There are also no pricing implications to not	not, as this is the mechanism we are	ability for market participants to recover	deal with this situation.
	suspending, including for long duration	using and have exhausted, so	costs for their units. There also no pricing	
	scenarios, as the backup price is used and will	suspending will not make the situation	implications to not suspending, including	
	not be re-priced.	any better. Again we would want to	for long duration scenarios, as the	
		ensure the ability for market participants	backup price is used and will not be re-	
		to recover costs for their units. Prices	priced.	
		would reflect real time emergency		
		situation which is as per the design so we		
		would not want to suspend, including for		
		long duration scenarios.		

	Reason for temporary TSO suspension (Article 35 (1))				
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and	
	blackout state;	provided by the market and the	would decrease significantly the	communication means	
Market activity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs	
be suspended (Article 35	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market	
	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not	
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.	
		2017/1485;		(e.g. General System	
				Failure and General	
				Communication Failure)	
Day-Ahead Market	We do not believe that this could be suspended	We do not believe that this could be	We do not believe that this could be	Not applicable as ex-	
Suspension	under Article 35 (2)(f) as we could not deem it	suspended under Article 35 (2) (f) as we	suspended under Article 35 (2)(f) as we	ante position which TSO	
	"necessary to preserve and/or restore the	could not deem it "necessary to preserve	could not deem it "necessary to preserve	does not facilitate.	
	system" as centrally dispatched system and	and/or restore the system". Day-Ahead	and/or restore the system" as centrally		
	market positon will not affect decisions made to	Market operation will not deteriorate any	dispatched system and market positon		
	restore system.	of the conditions referred to in Article	will not affect decisions made to restore		
		18(3) of Regulation (EU) 2017/1485.	system.		
	No reason to suspend as participation in this				
	market is not obligatory and decision down to	No reason to suspend as participation in	No reason to suspend as participation in		
	market participants' risk. The activity is still	this market is not obligatory and decision	this market is not obligatory and decision		
	being completed economically. If suspended	down to market participants' risk. The	down to market participants' risk. The		
	there would be no backup price for the day and	activity is still being completed	activity is still being completed		
	the backup to the backup would have to be	economically. It also enables participants	economically. If suspended there would		
	used which may be less reflective of the real-	to trade to meet their Reliability Options	be no backup price for the day and the		
	time cost of energy in the period, especially if	under the Capacity Remuneration	backup to the backup would have to be		
	the situation persists over a number of days or	Mechanism.	used which may be less reflective of the		
	weeks.		real-time cost of energy in the period,		
			especially if the situation persists over a		
			number of days or weeks.		

	Reason for temporary TSO suspension (Article 35 (1))				
	(a) the transmission system of the TSO is in	(b) the TSO has exhausted all options	(c) the continuation of market activities	(d) tools and	
	blackout state;	provided by the market and the	would decrease significantly the	communication means	
Market estivity that may		continuation of market activities under the	effectiveness of the restoration process	necessary for the TSOs	
Market activity that may	(covers a total blackout or a partial blackout	emergency state would deteriorate one or	to the normal or alert state;	to facilitate market	
be suspended (Article 35	scenario as per the definition of blackout state	more of the conditions referred to in		activities are not	
(2))	in Article 18(4) of Regulation (EU)2017/1485)	Article 18(3) of Regulation (EU)		available.	
		2017/1485;		(e.g. General System	
				Failure and General	
				Communication Failure)	
Intra-Day Markets	We do not believe that this could be suspended	We do not believe that this could be	We do not believe that this could be	Not applicable as ex-	
Suspension (including future	under Article 35 (2)(f) as we could not deem it	suspended under Article 35 (2) (f) as we	suspended under Article 35 (2)(f) as we	ante position which TSO	
X-BID)	"necessary to preserve and/or restore the	could not deem it "necessary to preserve	could not deem it "necessary to preserve	does not facilitate.	
	system" as centrally dispatched system and	and/or restore the system". Day-Ahead	and/or restore the system" as centrally		
	market positon will not affect decisions made to	Market operation will not deteriorate any	dispatched system and market positon		
	restore system.	of the conditions referred to in Article	will not affect decisions made to restore		
		18(3) of Regulation (EU) 2017/1485.	system.		
	No reason to suspend, including for long				
	duration scenarios, as participation in this	No reason to suspend, including for long	No reason to suspend, including for long		
	market is not obligatory and decision down to	duration scenarios, as participation in this	duration scenarios, as participation in this		
	market participants' risk. The activity is still	market is not obligatory and decision	market is not obligatory and decision		
	being completed economically.	down to market participants' risk. The	down to market participants' risk. The		
		activity is still being completed	activity is still being completed		
		economically. It also enables participants	economically.		
		to trade to meet their Reliability Options			
		under the Capacity Remuneration			
		Mechanism.			

In summary, following a review of the market activities that the TSO may temporarily suspend under the NCER <u>it is the TSO's proposal that none of these activities will be</u> <u>suspended</u>. Therefore, the requirement to develop a proposal for rules concerning the <u>suspension and restoration of market activities does not apply.</u>

4. Specific rules for imbalance settlement and settlement of balancing energy in case of suspension of market activities

As per section 2 above, it is the TSO's proposal that none of the activities will be suspended. <u>Therefore, the requirement to develop additional specific rules for imbalance settlement and settlement of balancing energy in case of suspension of market does not apply, with no additional rules being proposed on foot of NCER.</u>

The current arrangements set out within The Trading and Settlement code Part B includes sections that cover events for a GSF (C.5.4 General System Failure) and a GCF (C.5.3 General Communication Failure), that cover the specific rules for imbalance settlement should a GSF or GCF occur. For example, if a GSF or Electrical System Failure were to occur, the MO would implement Administered Imbalance Settlement as set out in G.17 of Trading and Settlement code Part B. Sections F.6,F.7,F.8,F.9,F.10,F.11,F.12,F.13,F.14,F.15,F.19.4,F.20.5 would also apply in this event, therefore we feel that these current arrangements are sufficient to provide the continuation of Imbalance settlement.

5.Next Steps

This concludes EirGrid's submission to the Commission for the Regulation of Utilities of the proposal for the rules for suspension and restoration of market activities for Ireland in accordance with Article 39(1) and Article 7 of the Commission Regulation (EU) 2017/2196 establishing a network code on electricity emergency and restoration of the Commission Regulation (EU)