Future Power Markets Design Authority Update

ISSUE NO.20 | May 2025









Future Power Markets Design Authority

The Future Power Markets team is focused on how the ambition of up to 80% renewable energy share in electricity (RES-E) will be facilitated through the market.

The team's work spans across a number of core project areas, including:

- Future Arrangements for System Services (FASS)
- Scheduling and Dispatch Programme (SDP)
- Strategic Markets Programme (SMP)
- SEMOpx Projects: MATS and DAM 30Min MTU

Additional workstreams include:

- Long Duration Energy Storage (LDES)
- Energy Market Policy (EMP)









Future Arrangements for System Services

The design and implementation of Future Arrangements for System Services (FASS) includes:

- o "To deliver a competitive framework for the procurement of System Services, that ensures secure operation of the electricity system with higher levels of non-synchronous generation", in line with the Single Electricity Market Committee (SEMC) request
- The implementation of a Day Ahead System Service Auction (daily auction/DASSA), Layered Procurement Framework and Fixed Term Contracts
- The creation of a System Services market code and updates to relevant codes and licenses.
- The DASSA Top-Up Mechanism Consultation closed on the 2 May 2025. 16 responses were received. The Recommendations Paper is currently being drafted.
- FASS Programme PIR 3.0 has been drafted, with expected publication by June 2025, subject to SEMC approval.
- The DS3 SS Tariffs to FASS "The Gap" Recommendation Paper has been drafted, with the final paper expected to be submitted to the RAs by the end of May 2025. It is anticipated that the corresponding SEMC decision will be published in June 2025, subject to confirmation in PIR V3.0.
- A System Services Code Working Group Session was held on 28 April 2025, covering the Supplier Charge for the second Plain English Version of the System Services Code. There will be a third Plain English Version of the code to cover further SEMC decisions scheduled after the summer.
- Drafting of the Non-Reserve Services Consultation paper is underway and RA/TSO engagement on design considerations is in progress. However, RA/TSO agreement on non-reserve arrangements is delayed against baseline PIR.
- A draft of the Parameters and Scalars Consultation Paper has been submitted to the RAs and is being updated to reflect RAs comments. The paper is due to be published by June 2025.







Scheduling and Dispatch Programme

The Scheduling and Dispatch programme aims to:

- $_{\odot}$ To enhance the scheduling and dispatch systems and processes in Ireland and Northern Ireland
- To bring about compliance with the Clean Energy Package (CEP) and the treatment of variable Non-Priority Dispatch Renewables (NPDR)
- Facilitate low/zero carbon grid technologies such as Batteries, Synchronous Condensers in support of the broader goals of renewables and System Non-Synchronous Penetration (SNSP) penetration targets.

SDP-02 Energy Storage Power Stations System

Participant interface testing (PIT) for battery unit operators is in progress with 1:1 participant meetings taking place. ESPS Grid Code mods MPID318
/ SPID-03-2024 are under assessment with CRU and UR respectively.

SDP-01/04 Non-Priority Dispatch Renewables / Wind Dispatch Improvements

- RAs and SEMC are assessing Mod_13_23 Treatment of NPDRs and SEM-24-044 Definition of Curtailment, Constraint and Energy Balancing related to SEM-13-011.
- SDP Programme analysis on the units that will be designated as Non-Priority Dispatch Renewables (NPDR) is complete with EirGrid/SONI governance reviews in progress in advance of RA review and subsequent industry engagement.

SDP Tranche 2

• An updated version 3 of the TS&C modification Mod_01_25 related to SDP-06 Synchronous Condensers was approved at Mods meeting 128 on 09-Apr-25. System design for Tranche 2 is continuing with the programmes system vendors, system build has commenced.







Strategic Markets Programme

SMP has a wide scope, a significant portion of which are changes required for Celtic Interconnector Go-Live and enabling increased flexible technology incorporating:

- Full EU Integration: The Celtic Interconnector, due to go-live in Q4 2026, requires the SEM Markets and Operational Systems to be compatible with European standards, which includes re-coupling the day-ahead market but also new arrangements for coupled intraday markets and participation on the EU balancing platform
- o **Post-Brexit Trading Arrangements:** Changes to the trading of electricity between the SEM and GB to increase market efficiency
- o Balancing Market Reform: Changes to the balancing market to enable flexible technology.



SMP is progressing through detailed requirements towards detailed planning stage for EU Integration and Balancing Market Reform scope items. For the purposes of planning and delivery, the scope of SMP will be delivered in a minimum of two releases, Release 1 and Release 2.

EU Integration:

- EU Re-integration requires that EirGrid and SONI adhere to EU and Regional rules referred to as methodologies (TCMs). Discussions are underway with EU TSOs regarding adhering or in some cases amending the existing rules to accommodate integration of SEM-FR border.
- Detailed Requirements for EU Integration under development requiring changes to market rules and schedules, operating processes and system scheduling;

Balancing Market Reform:

- Detailed requirements for Balancing Market Reform initiatives are under review. BMR scope items are currently under assessment for code and system changes required and inclusion in project delivery plans.
- Detailed requirements for Dispatchable Consumption Unit (DCU) and Multi-NEMO Arrangements (MNA) are completed.

Post-Brexit Arrangements: An update on Multi-Region Loose Volume Coupling (MRLVC) was given in FPMDA Industry Workshop on 14/05/2025.







SEMOpx Projects

The DAM 30Min Market Time Unit (MTU) Project in the SEM aims to:

- o Ensure SEM ex-ante market trading can be performed in the same trading period duration as the imbalance settlement period
- Bring SEM trading in line with requirements set out in the Clean Energy Package
- Increase liquidity and more efficient trading for Market Participants

The Multiple Auction Trading System (MATS) Project aims to:

- o Implement a trading system capable of adapting to new and complex products introduced in SDAC and SIDC
- Allow for scalability and more flexibility within the order options available to users

DAM 30Min MTU:

semopx

- SDAC Joint Member Testing with Market Participants completed in May 2025
- Market Coupling Steering Committee announced the rescheduling of the go-live of 15-Minute Market Time Unit (MTU) in SDAC (30-Minute MTU in the SEM) from June to 30 September 2025, with the first delivery date 1 October 2025 (<u>Link here</u>)
- The replanning of the new project timeline will be shared with SEMOpx Members in early June 2025.

MATS:

- MATS DAM60 and IDAs Simulation Environment opened to members in Nov 2024 for ongoing testing
- MATS DAM30 Simulation Environment opened to members in April 2025 for ongoing testing
- MATS go-live date rescheduled to 28th August 2025 (first auction date), following the 30MTU SDAC project go-live postponement.
- The replanning of the new project timeline will be shared with SEMOpx Members in early June 2025.







Additional Market Developments

Long Duration Energy Storage

- EirGrid LDES Procurement Mechanism consultation has received CRU approval while CRU has drafted a note for inclusion on publication.
- EirGrid is now working with CRU following circulation of CRU's draft note, with a date yet to be agreed for publication.
- Consultation will be open for an 8-week period.
- An industry engagement workshop will be organised for June (date TBC).

Energy Market Policy

- The European Commission (EC) President, European Council President and the UK Prime Minister met for the first EU-UK Summit on 19 May. In terms of electricity market arrangements, it was agreed to explore the possibility of an agreement leading to the participation of the UK in the EU's internal electricity market, including wholesale and retail electricity. The EC and UK also agreed to work towards establishing link between their emission trading systems.
- The leaders adopted three documents:
 - Joint Statement
 - Security and Defense Partnership
 - Common Understanding on a renewed agenda for European United - United Kingdom cooperation
- A meeting of the EU-UK Specialised Committee on Energy (SCE), which is made up of representatives from the EC and UK Department for Energy Security and Net Zero (DESNZ) is due to take place shortly. From this meeting we hope to get clarity on the next steps following the Summit.
- Following the publication of the <u>EU-UK Electricity Trading Roadmap</u>, EirGrid is participating in a number of workstreams that are reporting into the EU-UK SCE.







Contact Information

If you require further information on what has been published in this update, please email:

futurepowermarkets@eirgrid.com or futurepowermarketsNI@soni.ltd.uk

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