



4th March 2014

Extension of TSO counter-trading facilities for DBC management

As directed under SEM-11-062, EirGrid has been counter-trading energy into the GB market mainly to reduce curtailment of priority dispatch generation (e.g. wind). In the last six months approximately 220 GWhrs of energy has been counter-traded in this manner, which has greatly reduced curtailment levels below that which would otherwise be the case.

Following a request from both CER and UREGNI, EirGrid examined the possibility of extending the current counter-trading facility to assist in the management of Dispatch Balancing Costs (DBC). It has been concluded that significant DBC savings can be made without impacting the counter-trading of priority dispatch generation, the market position of participants in the SEM or security of supply. In addition it should result in a reduced volume of constrained on running for generators in Ireland, thus allowing the physical generation schedule to more closely match the unconstrained market schedule.

It should be noted that counter-trading to reduce curtailment of priority dispatch and DBC would take place post SEM gate closure and will not expressly seek to arbitrage energy prices between the SEM and UK market. As such it is estimated that counter trading volumes will increase over those required for priority dispatch and security of supply purposes by the order of 50%.

Please send comments or queries regarding this matter to info@eirgrid.com