

EirGrid Customer Connections Forum

Wednesday 20th July 2011

Customer Communications

Claire Kane

Purpose of the Forum

Two Fold —

- Engagement
- Information Provision
- Propose to hold these quarterly
- Provision of information on EirGrid work
- Agenda informed by you
- Part of an overall Communications Plan



Outline Communications Plan



Monthly Updates

Regular, consistent info Wider industry audience

and the

Customer Forum

Quarterly Agenda informed by you and the

Customer Meetings

Manage your needs

Management of the relationship

and the

Website

Customers and stakeholders
General Public + Media

and the

Liaison Group

EirGrid support
Provision of regular information



Agenda – Session 1



11.10 – 11.20	Customer Communications Claire Kane, Customer Relations
11.20 — 11.50	Firm Access Quantities (FAQs) and Associated Transmission Reinforcements Simon Grimes, Transmission Access Planning
11.50 – 12.10	Firm Access Quantities (FAQs) and Associated Transmission Reinforcements - Communications Process Derek Lawler, Commercial and Regulation
12.10 - 12.30	EirGrid Constraint Studies - Possible Impact of Scheduling & Dispatch Decision Eoin Kennedy, Generation Analysis
12.30 – 1.00	Discussion/Questions and Answers
13.00 – 1.30	Lunch

Agenda – Session 2



13.30 – 13.50	Short Circuit Reinforcements Cormac McCarthy, Transmission Access Planning
13.50 – 14.20	Dynamic Analysis Process and Generator Obligations John McGuckin, Transmission Access Planning
14.20 – 14.50	Temporary Connections for Gate 3 Wind Farms – Technical Aspects Gary Nolan, Transmission Access Planning
14.50 – 15.30	Discussion/Questions and Answers
15.30	Close

Feedback



EirGrid Customer Relations Team

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Firm Access Quantities (FAQs) and Associated Transmission Reinforcements

Simon Grimes

Manager Transmission Access Planning

Overview

Introduction

EIRGRID

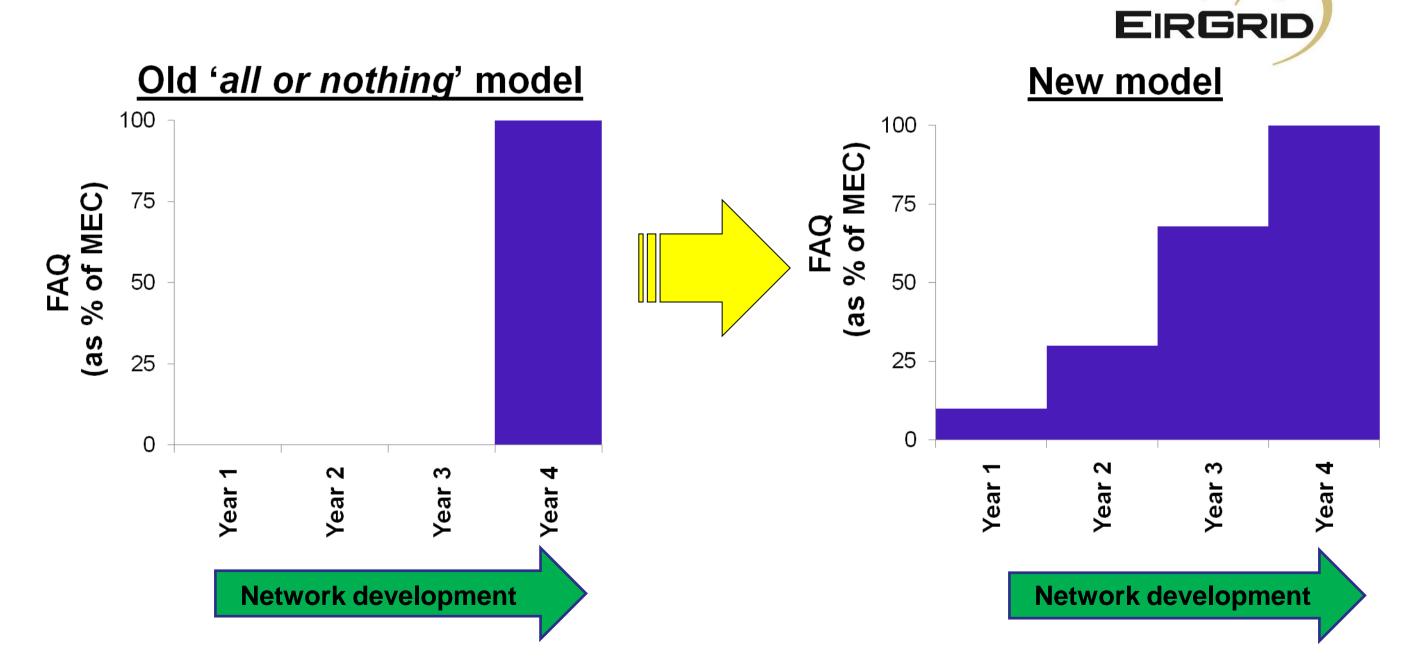
- What are FAQs?
- Key features of 'Interim FAQs for Gates 1 & 2' CER direction
- Worked example
- Progress to date
- Changes to associated reinforcements risk
- Next steps / timelines

Introduction



- CER 'Decision on calculation of interim Firm Access Quantities for Gates 1 & 2 Generators' issued 23 June 2011
- Level of firm financial access in the transmission network = Firm Access Quantity (FAQ)
- Firm financial access means that if a generator is constrained on or off, it is eligible for compensation in the manner set out in the Trading & Settlement Code

Old Vs New approach to allocating firm access



Key features of Interim FAQs for Gates 1 & 2 decision

- Firm access allocated on an application date order basis
- Generators tested at the transmission node to which their permanent connection is fed from
- EirGrid to calculate for each generator:
 - Actual FAQ currently available
 - Additional FAQ expected to become available during current year
 - Scheduled FAQs for each year until MEC achieved
- EirGrid to identify the reinforcements associated with the provision of FAQ for the given year(s)

Key features of *Interim FAQs for Gates 1 & 2* decision (continued)

- Analysis based on Incremental Transfer Capability (ITC) methodology used in Gate 3 under intact & single contingency (N-1) network conditions
- N-1 = loss of any single item of generation or transmission line/equipment
- Timing of network rollout based on most up-to-date information
- Expected study timelines:
 - > Gate 1: 4-6 weeks from CER decision date
 - > Gate 2: 5-6 months from CER decision date

Key features of *Interim FAQs for Gates 1 & 2* decision (continued)

- Recognition given to possibility of different associated reinforcements to those originally associated with Gate 1 & 2 generators
- CER and EirGrid to actively consider the impacts and risks which developers are subjected to as a result of on-going optimisation of transmission reinforcements
- FAQ & associated reinforcement analysis to be undertaken annually

Worked example



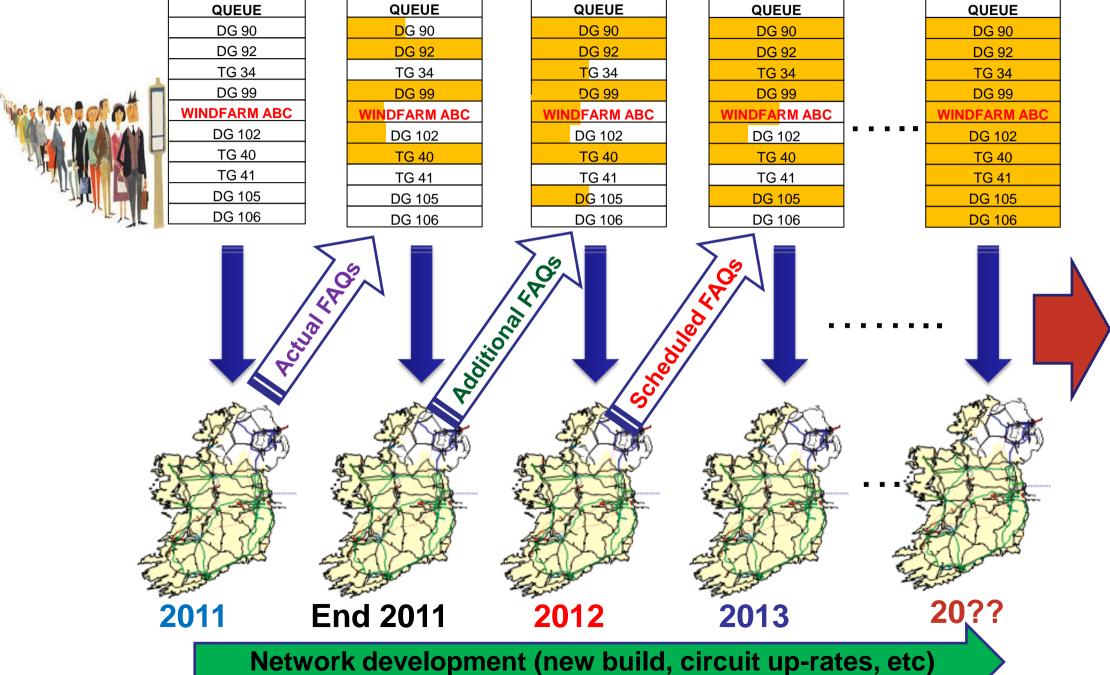
Project: Windfarm ABC Ltd

MEC: 100 MW

Status: Energised in 2010

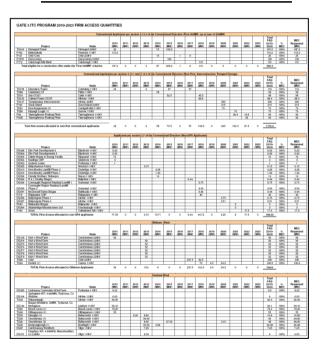
- Scheduled Deep Operational Date (as per Connection Agreement): 2013
- Associated Transmission Reinforcements (ATR) (as per Connection Agreement):
 ATR 1, ATR 2, ATR 3, ATR 4, ATR 5, ATR 6
- Current Market FAQ: 0MW (only ATR 1 is complete)

Worked example (continued)





FAQS & ASSOCIATED REINFORCEMENTS



Worked example (continued)



ANALYSIS RESULTS FOR WINDFARM ABC LTD.:

FAQ Category	FAQ Amount (MW)	Associated Transmission Reinforcements
Actual (2011)	25MW	
Additional (2011)	+10MW (→ 35MW)	ATR 2, ATR 3
Scheduled (2012)	50MW	ATR 4
Scheduled (2013)	85MW	ATR 6
Scheduled (2014)	100MW	ATR 7

....ATR 5 no longer associated

Worked Example - Scenarios to consider

- EIRGRID
- 1) Reinforcement(s) required for the 'Additional FAQ' is completed prior to this year's analysis being completed
- 2) One (or more) of the reinforcements required for the 'Additional FAQ' to be realised is delayed beyond 2011
- 3) The reinforcement(s) linked to the following year's 'Scheduled FAQ' is/are completed prior to the **next** year's analysis being completed

...what does each of the above mean for Windfarm ABC Ltd's market FAQ?

FAQ Category	FAQ Amount (MW)	Associated Transmission Reinforcements
Actual (2011)	25MW	
Additional (2011)	+10MW (→ 35MW)	ATR 2, ATR 3
Scheduled (2012)	50MW	ATR 4
Scheduled (2013)	85MW	ATR 6
Scheduled (2014)	100MW	ATR 7

Scenario 1: The reinforcement(s) required for the 'Additional FAQ' is completed prior to this year's analysis being completed



FAQ Category	FAQ Amount (MW)	Associated Transmission Reinforcements
Actual (2011)	25MW	
Additional (2011)	+10MW (→ 35MW)	ATR 2, ATR 3
Scheduled (2012)	50MW	ATR 4
Scheduled (2013)	85MW	ATR 6
Scheduled (2014)	100MW	ATR 7

 Windfarm ABC Ltd should apply to SEMO for a market FAQ of 35MW following provision of the 2011 analysis results

Scenario 2: One (or more) of the reinforcements required for the 'Additional FAQ' to be realised is delayed beyond 2011



FAQ Category	FAQ Amount (MW)	Associated Transmission Reinforcements
Actual (2011)	25MW	
Additional (2011)	+10MW (→ 35MW)	ATR 2, ATR 3
Scheduled (2012)	50MW	ATR 4
Scheduled (2013)	85MW	ATR 6
Scheduled (2014)	100MW	ATR 7

- Windfarm ABC Ltd's market FAQ will remain at 25MW until ATR 2 and ATR 3 are both completed
- Following completion of <u>both</u> reinforcements, Windfarm ABC Ltd should apply to SEMO for an increase in market FAQ to 35MW

Scenario 3: The reinforcement(s) linked to the following year's 'Scheduled FAQ' is/are completed prior to the conclusion of next year's (2012) analysis

FAQ Category	FAQ Amount (MW)	Associated Transmission Reinforcements
Actual (2011)	25MW	
Additional (2011)	+10MW (→ 35MW)	ATR 2, ATR 3
Scheduled (2012)	50MW	ATR 4
Scheduled (2013)	85MW	ATR 6
Scheduled (2014)	100MW	ATR 7

- Let's assume that ATR 2 & ATR 3 were completed in 2011 and Windfarm ABC Ltd's market FAQ increased to 35MW in 2011
- Following completion of ATR 4, Windfarm ABC Ltd should apply to SEMO for an increase in market FAQ to 50MW

Communications



- FAQ and associated reinforcement details will be formally advised to each generator by their respective System Operator
- Generators are themselves responsible for notifying SEMO of any changes to their FAQ market values

Progress to date



- On schedule to communicate Gate 1 results before 4 August 2011
- Gate 2 analysis has commenced

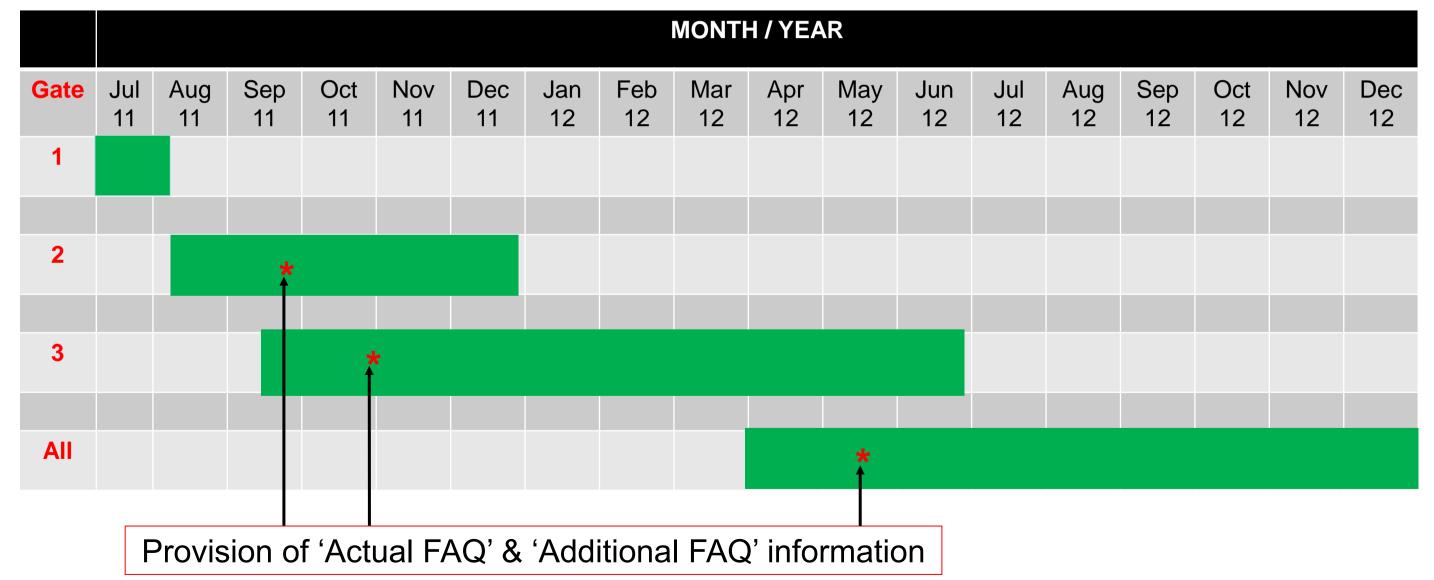
Changes to associated reinforcements risk



- Developers currently bear risk of reinforcements originally identified for association being replaced by new reinforcements
- Number of generator FAQs currently dependent on re-optimised reinforcements
- Issue viewed by many as key issue currently facing wind industry
- CER consider issue as a SEM Committee matter

Proposed next steps / timelines





Summary

- Annually EirGrid to determine:
 - Actual FAQ currently available
 - Additional FAQ expected during current year
 - Scheduled FAQ for each year until MEC achieved plus associated reinforcements
- Changes to associated reinforcements risk/issue under consideration by CER
- Gate 1 & 2 on schedule for completion early Aug. & mid Dec. respectively
- Accelerated timeline of Sep. '11 Mar. '12 proposed for Gate 3
- Going forward expect FAQ analysis to take place Apr Sep annually
- Each year Actual FAQs & Additional FAQs will be provided as soon as practicable





EirGrid Customer Connections Forum

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Firm Access Quantities (FAQs) and Associated Transmission Reinforcements Communications Process

Derek Lawler
Manager – Commercial & Pricing

Outline of Presentation



- Background
- Schedule
- Process
- Next Steps
- Questions

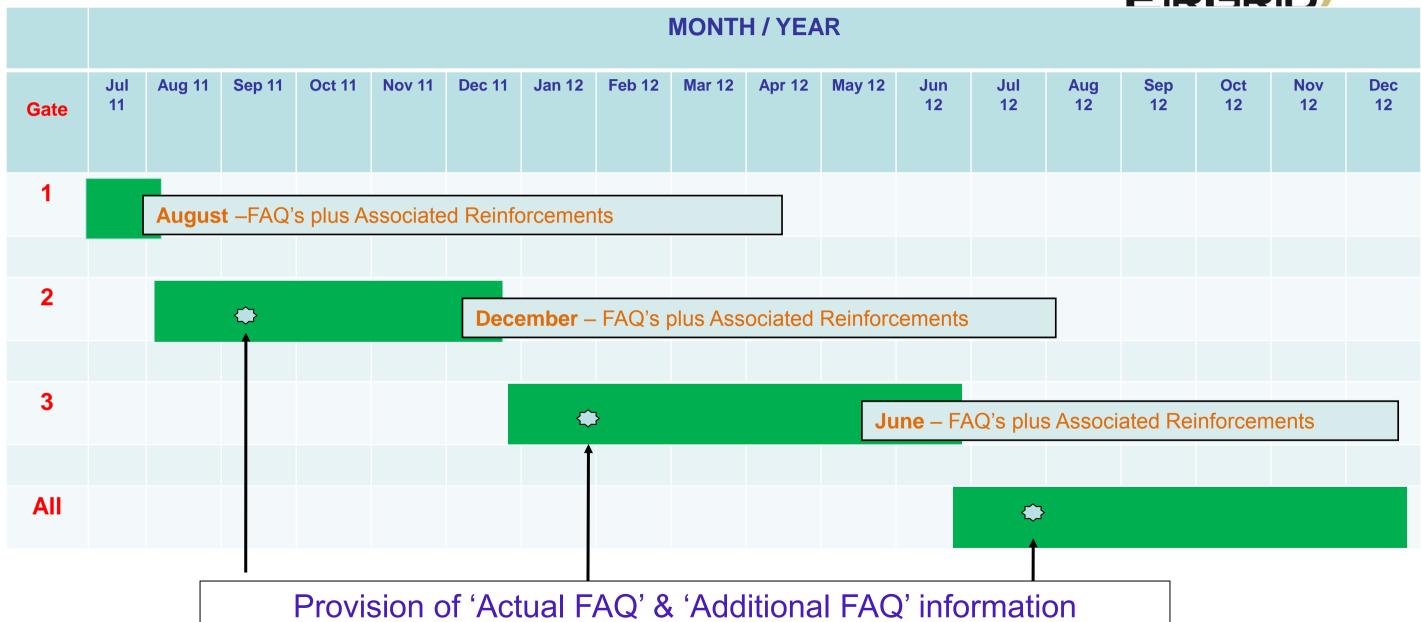
Background



- Current, Actual & Scheduled FAQ's plus Associated Reinforcements
- Changes to the schedules
- Combination of Website updates, formal updates and customer notifications
- Consultation with the Distribution System Operator for DSO customers
- First stage is to work through Gates 1, 2 & 3 for 2011
- Thereafter annual cycle of studies and communications in 2012
- TUoS Charges

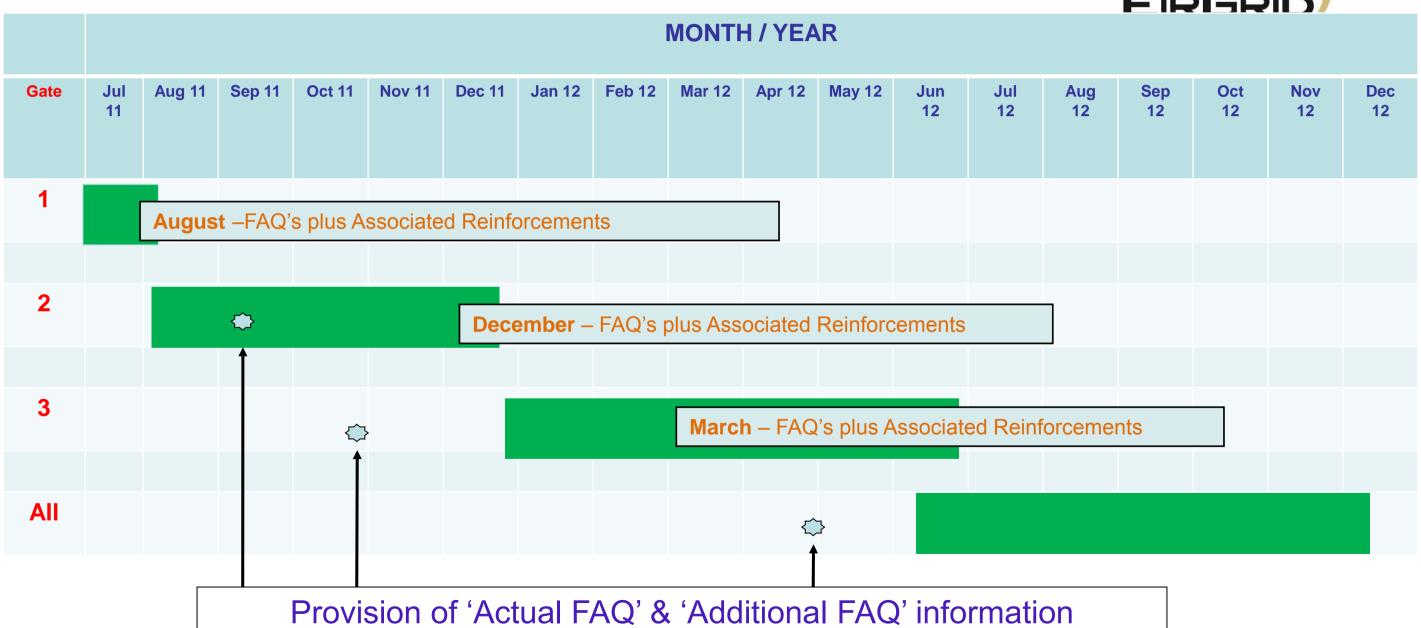
Current Communication Schedule 2011





Possible Communication Schedule 2011 (tbc)





Communications Process Gate 1



Date	Gate	Formal notification by letter	EirGrid Website
Aug 2011	Gate 1	 Actual FAQ for 2011 Additional FAQ for 2011 Scheduled FAQ's until MEC achieved 	Summary Gate 1 list of Associated Transmission Reinforcements (ATR's) showing • Scheduled completion dates for 2011 (by month)
		List of Associated Transmission Reinforcements (ATR's) for scheduled FAQ's	 Scheduled completion dates for remaining (by year)

Communications Process Gate 2



Date	Gate	Formal notification by letter	EirGrid Website
September 2011	Gate 2	 Actual FAQ for 2011 Additional FAQ for 2011 List of Associated Transmission Reinforcements for 2011 Additional FAQ 	Updated list of Associated Transmission Reinforcements showing • Scheduled Completion dates for 2011 (by month)
Dec 2011	Gate 2	 Scheduled FAQ's until MEC achieved List of Associated Transmission Reinforcements for scheduled FAQ's 	 Updated list of Associated Transmission Reinforcements showing Scheduled Completion dates for 2011 (by month) Scheduled completion dates for remaining (by year)

Communicating changes to scheduled completion dates for Associated Reinforcements



General Programme Approach

- Quarterly update on progress of all reinforcements on the website
- > General email communication to all customers (Transmission)
- Communication to the DSO

Communicating changes to scheduled completion dates for Associated Reinforcements



Project Specific Approach

If your project 's Associated Reinforcement(s) is completed or delayed and impacts your Additional FAQ:

- Specific communication to customer (Transmission)
 - Formal notification under the Connection Agreement and/or
 - Project management update
- Quarterly update on progress on the website
- Communication to the DSO

Responsibility of the customer to apply for change to market value FAQ to SEMO.

Next Steps



- Review comments from this forum
- Communicate the results for Gate 1 per schedule
- Consult with the DSO
- Review the process post Gate 2 and refine

EirGrid Customer Connections Forum



20th July 2011

EirGrid Constraint Studies - Possible Impact of Scheduling & Dispatch Decision

Eoin Kennedy Generation Analysis

Overview of Presentation



- Possible Generator Output Reductions Reports
- Potential Impact of the Scheduling & Dispatch Paper
- Provisional Constraints Modelling Plan
- Modelling Assumptions & Scenarios
- Key Messages

Possible Generator Output Reductions Reports





Possible Generator Output Reductions Report for Area F (2011 – 2022)



Version 1.0

Published March 2011

- PGOR Reports delivered on schedule for all Areas
- Customer Workshops held on an Area basis to answer queries
 - 8 Workshops held to date
 - 2 Workshops remaining
 - Area A, 3rd August
 - Areas C, G & I, 4th August

Impact of Scheduling & Dispatch Paper



Scheduling & Dispatch Paper

No Change to Dispatch Rules

Issue Constraint Reports

Additional Scenarios?

EirGrid Working Assumption

Change to Dispatch Rules

Re-run of Constraints Model required

Dispatch Rules



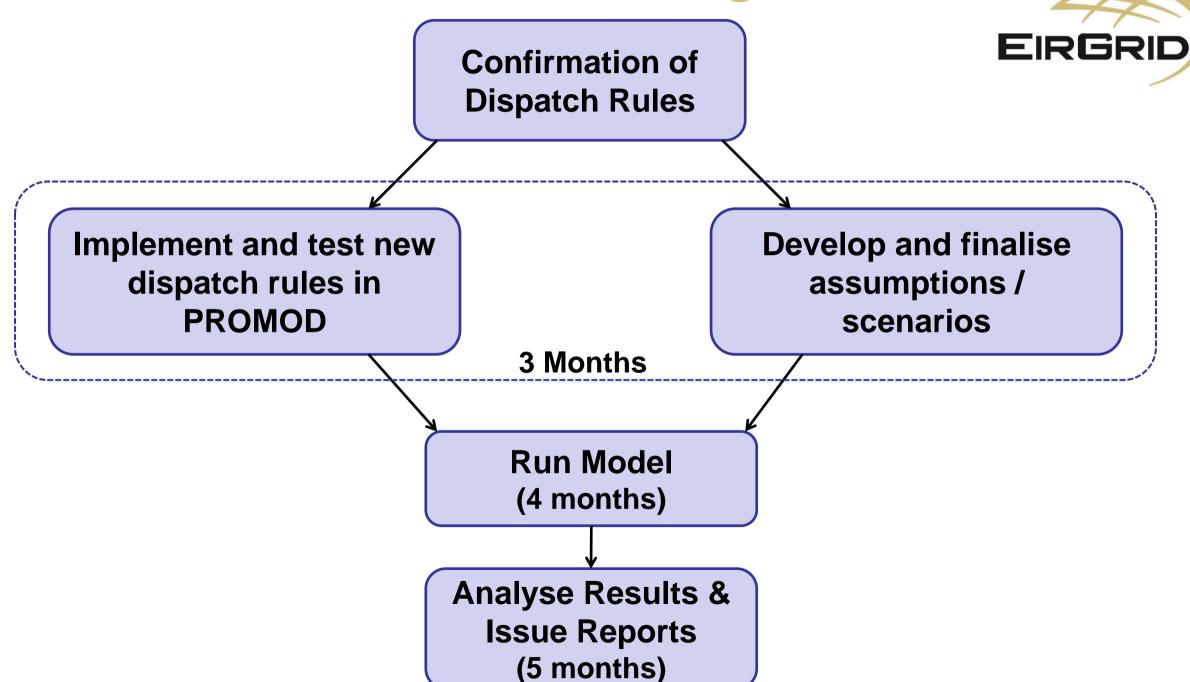
Existing draft Dispatch Rule-set (PGOR Rule-set)

- Pro-rata reduction of wind generation output in tie-break situations
- Applied to both Curtailment and Constraint

Possible new Dispatch Rule-set?

- If the Scheduling and Dispatch decision results in a material change to the existing draft dispatch rule-set, the constraints model will need to be re-run using the new rules.
- Potential new dispatch rule-set likely to be significantly more complex to model than the existing draft rule-set

Provisional Constraints Modelling Plan



Modelling Assumptions & Scenarios



 EirGrid will discuss the modelling assumptions and scenarios with the Gate 3 Liaison Group

Potential modelling scenarios

- 25%, 50%, 75%, 100% Gate 3 take-up
- Industry-informed 'realistic' Gate 3 take-up
- Alternative fuel price

Key modelling assumptions

- Rate of Gate 3 build-out and shallow connection
- Transmission network & Interconnection
- Operational rules
- Wind profiles
- Demand
- Fuel & Carbon prices
- Windfarm controllability
- Modelling of Northern Ireland

Key Messages



- EirGrid has issued all PGOR Reports
- Potential Impact of Scheduling & Dispatch paper
 - EirGrid Working Assumption => Material change to dispatch rules
 - Complete re-run of model required with new rules
 - Potential new rule-set likely to be considerably more complex to model than the existing draft rule-set
- EirGrid will present and discuss the assumptions and potential scenarios with the Gate 3 Liaison Group



Thank You

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Discussion / Questions and Answers