Approved 2021/22 Transmission Loss Adjustment Factors (TLAFs) Accompanying Note Version 1.0

20th August 2021

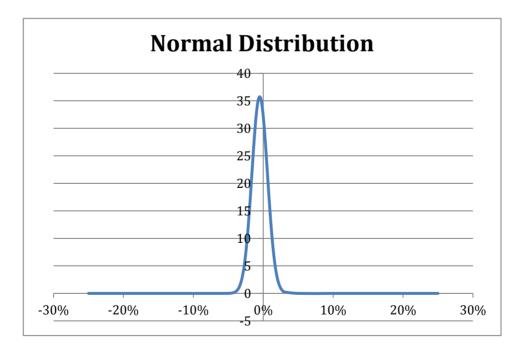


Background

This explanatory paper has been prepared by the Transmission System Operators (TSOs) to accompany the Approved Transmission Loss Adjustment Factors (TLAFs) which have been calculated by the TSOs, based on the approved TLAF methodology (SEM-12-049), for 2021/22 (1st October 2021 to 30th September 2022). TLAFs for interconnectors under the revised SEM arrangements are detailed in the I-SEM Interconnector Losses Information Paper published 2nd June 2017.

TLAF Analysis - Overview

Following a comparison between 2020/21 and 2021/22, it was found that the majority of nodes have seen their TLAFs decrease. 76% of the TLAFs calculated are within 1% of the previous year's TLAFs and over 89% are within 2%. The maximum average participant TLAF change is -1.6%. The overall average TLAF has decreased by 0.52% from 2020/21.



The normal distribution and the frequency distribution are shown below.

Figure 1 - Normal Distribution of changes in TLAFs from 2020/21 to 2021/22

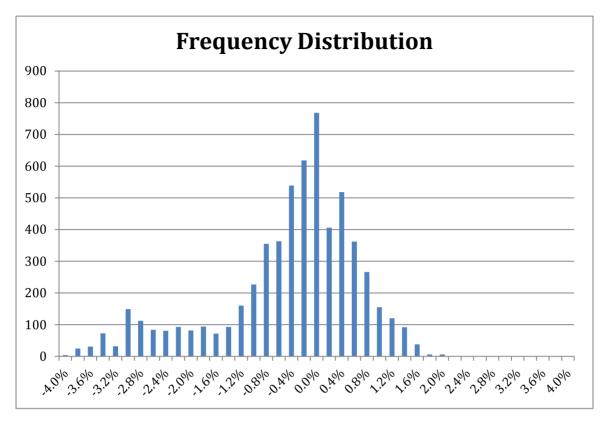


Figure 2 – Frequency Distribution of changes in TLAFs from 2020/21 to 2021/22

TLAF Analysis - Regional

There is a reasonable link between regional dispatch change and the TLAF trend in that region. It should be noted that whilst changes in dispatch between years will change base case flows; this does not indicate how a single participant's generation will add to, or offset, flows on an all-island basis. Instead, it may provide an indicator for possible expected regional changes.

Figure 3 shows an all-island overview of the TLAFs for 2021/22, indicating the locational range. Green signifies nodes with high TLAFs and moving to red signifies nodes with lower TLAFs.

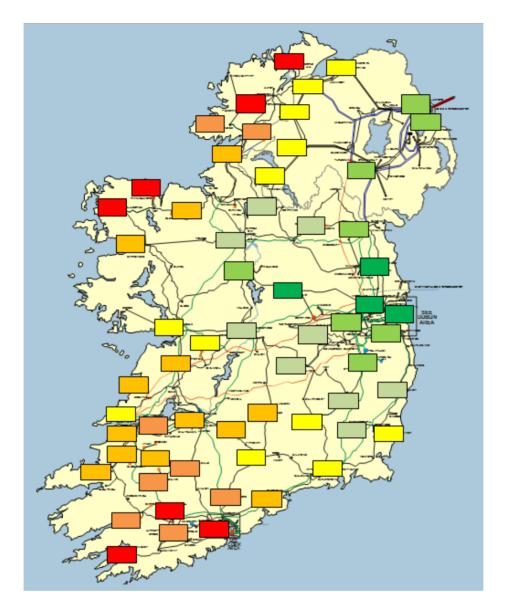


Figure 3 – Locational breakdown of 2021/22 TLAFs

The change in TLAFs from 2020/21 to 2021/22 is shown in Figure 4. Green signifies nodes where TLAFs have improved from their respective values in 2020/21, with Dark Green representing nodes with the greatest improvement. Yellow/Peach signifies nodes where TLAFs have dis-improved, with dark orange representing the largest change. EWIC and Moyle TLAFs, highlighted in purple, are fixed as per the I-SEM Interconnector Losses Information Paper.

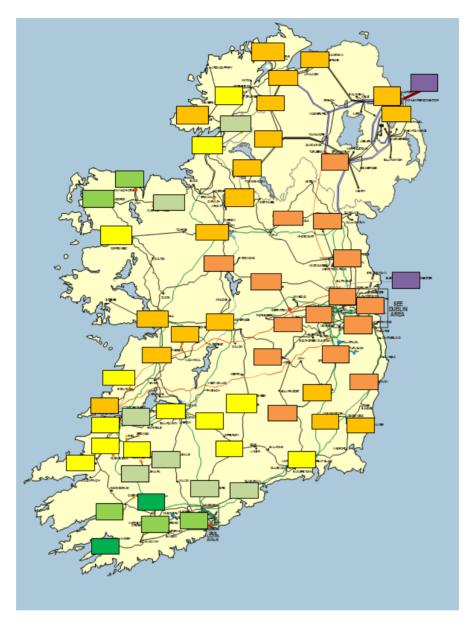


Figure 4 –TLAF changes from 2020/21 to 2021/22

Figure 5 shows the total regional MW dispatch change. Due to commercial sensitivity reasons, data is shown at a regional level, and aggregated from all generation types, (thermal, wind, solar, etc.).

As previously stated, although regional changes from one year to the next can be generalised using Figures 4 and 5, they should not be used as the single determinant for

TLAF changes. Participant's TLAFs are a result of how generation at their node will offset, or add to, all-island base case flows.

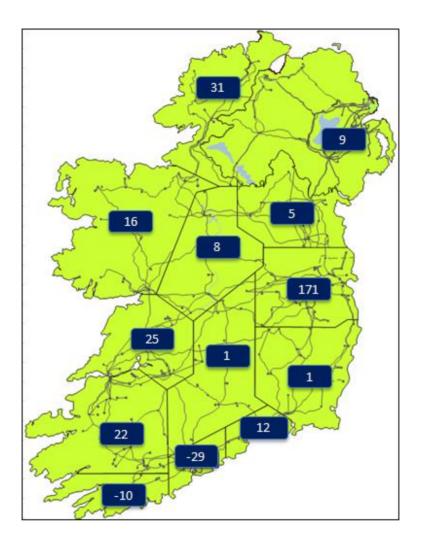


Figure 5 - Total regional MW dispatch change from 2020/21 to 2021/22

Contact

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