

Balancing Market Principles Statement

Consultation on Revisions

Opening: 24 April 2023

Closing: 5p.m 24 May 2023



Introduction

The SEM Committee has highlighted the importance of transparency within the market arrangements. SONI and EirGrid's Balancing Market Principles Statement (BMPS) is a comprehensive transparency resource. The purpose of the document is to increase awareness and visibility of the Transmission System Operators' scheduling and dispatch processes.

Our intention is that the BMPS is informative and comprehensive, striking a balance between detail on the technical complexity of the scheduling and dispatch process and accessibility for informed industry participants.

The format, style and content of the document were consulted before Version 1.0 of the document was published in 2017. The most recent version, [Version 6.0](#), was published in August 2022 following consultation on revisions.

The purpose of this consultation is to present a number of revisions to the BMPS and to seek feedback on those revisions. Stakeholders will note that every effort is made by EirGrid and SONI to review the BMPS on an ongoing basis, with a view to ensuring that its content continues to be accurate and up to date. The BMPS focuses exclusively on the extant codes and licenses that apply in Ireland and Northern Ireland and does not speculate on the outcome of the regulatory approval process. Looking forward, it may therefore be necessary for EirGrid and SONI to amend this BMPS (subject to and in accordance with the applicable license condition in their respective Transmission System Operator Licenses) to ensure that the BMPS remains consistent with the applicable obligations framework.

Proposed Revisions

All proposed revisions are highlighted in red and underlined in the consultation version of the document, Version 6.1, 24th April 2022. There are numerous minor edits to the document to ensure it is contemporary. A summary of the main proposed revisions in the document are outlined in Table 1 below.

Section	Update / Reason for Update
Important Information	SONI Transmission System Operator License version updated to 18 th November 2022.
	EirGrid Grid Code version updated to Version 12, 13 th March 2023.
	Trading and Settlement Code Part B updated to Version 27, 7 th December 2022.
Terms and Definitions	Demand Side Unit (DSU) definition added.
	Energy Limited Generator Unit definition updated.
	The maximum available capacity and maximum transfer capacity definitions have been removed from this section and the entire BMPS as these terms were causing confusion and are not defined by ENTSO-E. These terms have been replaced throughout the document with the Net Transfer Capacity.
	Temporary Emergency Generation (TEG) definition included as a result of including the TEG paragraph in Section 4.2.
3.1.2 Scheduling and Dispatch Policy Parameters	Section updated to outline SEM Committee decision (SEM-22-053) on setting LNAF and SIFF to zero for the period 1 st January to 31 st December 2023.
3.4.2 Renewable Forecast	Removal of 'Wind Farms' as outages now refer to wind and solar farms. 'Wind Forecasts' also changed to 'Forecasts' as solar forecasts also do not include curtailment forecast.
3.4.6 Prices and Volumes for Cross-Zonal Actions	Updated sentence to clarify that when GB TSO have a right to reject a trade to clarify that they can do this if it has a negative impact on <u>their system</u> .
	'Setting Down of Interconnector Net Transfer Capacities' table row updated to outline when Grid Controllers calculate the interconnector maximum transfer capacities and what the calculation is based on.
	All references to Maximum Transfer Capacity in this section has been replaced with Net Transfer Capacity as per the explanation in the 'Terms and Definitions' section above.
4 The Scheduling and Dispatch Process	Additional paragraph included to introduce the Scheduling and Dispatch Programme. This paragraph was included as the outcomes of this programme will have significant impact on scheduling and dispatch processes.

Section	Update / Reason for Update
4.2 Input Data Processing	<p>‘Treatment of Battery Energy Storage Power Station(ESPS) Units’ paragraph updated with a note to outline Battery (ESPS) Units are a ‘Scheduling and Dispatch Programme’ initiative, with the aim to increase the use of Battery ESPS Units in scheduling and dispatch. Also, in BMPS V6.0 we had indicated that a battery unit guidance note detailing the interim solution of these units would be published in 2022. However, we have removed this sentence as due to the quickly evolving interim solution of Battery ESPS units this guidance note has been updated and is still under review.</p>
	<p>‘Treatment of Energy Limited Generator Units’ paragraph updated to outline the paragraph refers specifically to run-of-river hydro-electric units.</p>
	<p>Paragraph on ‘Treatment of Synchronous Condensers’ included to outline how these units will be scheduled and dispatched based on the current interim solution.</p>
4.3.3 Scheduling Run Types: LTS, RTC and RTD	<p>‘European Market’ results changed to ‘SEM-GB’ results.</p>
4.4.5 Battery ESPS Unit	<p>New section added to ‘Section 4.4 - Dispatch and Control Actions’ on Battery ESPS Units to outline situations when Battery ESPS units are allowed to be dispatched for energy purposes.</p>
4.5 Meeting Our Obligations	<p>LNAF and SIFF SEM decision updated to latest SEM-22-053.</p>
5.1 Typical Operational Activity	<p>Table updated with ‘Total or Partial system shutdown’ updated with (blackout) and ‘Demand Control (Load Shedding).</p>
	<p>All references to Maximum Transfer Capacity in this section has been replaced with Net Transfer Capacity as per the explanation in the ‘Terms and Definitions’ section above.</p>
5.2.1 Overview	<p>Table updated as follows:</p> <ul style="list-style-type: none"> • ‘Total Shutdown’ row updated ‘Blackout State Alert’ with (Blue Alert). • ‘Demand Control/Emergency Manual Disconnection/Planned Manual Disconnection’ row updated with (System Emergency State). • ‘Demand Control’ row updated with (System Emergency State). • ‘Significant Incident’ row updated with ‘Loss of critical tools (impacting dispatch). • ‘Gas Supply Emergency row updated with (including secondary fuel switching and replenishment).
	<p>Table updated with additional row on Activation of Temporary Emergency Generation (TEG).</p>

Section	Update / Reason for Update
5.2.2 Temporary Emergency Generation (TEG)	Section included to provide additional information to Market Participants in advance of TEG being available in the Winter of this year (2023). The following subsections have been added: <ul style="list-style-type: none"> 5.2.2.1 Background. 5.2.2.2 Objectives. 5.2.2.3 Market Treatment.
5.3 Audit	Independent assurance report paragraph updated with audit for 2021 and that there were no findings from this audit that required the BMPS to be updated. Not just a specific section to be updated as outlined in previous BMPS updates.
6.2 Operational Data	In 'Others' section of table 'System Margins Report' included which was introduced in 2022.
Appendix 2.1 Input Data Processing	Updated with SEM committee decision on LNAF and SIFF parameters for 2023.

Table 1: Summary of proposed revisions in BMPS version 6.1.

Participating in this Consultation

The proposed revisions are presented for consultation by EirGrid and SONI in accordance with our Transmission System Operator License obligations (Condition 22B of SONI's and Condition 10B of EirGrid's TSO licenses) and SEM Committee decision SEM-16-058 'Balancing Market Principles Statement Terms of Reference'.

Respondents should focus their feedback on the proposed revisions only. The [consultation report from the previous consultation](#) will provide an indication of previous feedback and out of scope comments. **Responses to this consultation should be sent to BMPS@EirGrid.com or BMPS@SONI.ltd.uk before 5pm on Wednesday 24th May 2022.**

Please note:

- Late submissions will not be accepted to ensure a consultation report is compiled and issued to the Regulatory Authorities within 7 days of the closing date as required by our Transmission System Operator Licenses.
- We intend to publish all responses to the consultation. If you do not want your response to be published, please state this clearly in your response.
- We will submit all responses, the consultation report and a proposed new version of the BMPS to the Regulatory Authorities with the intention of publishing an updated BMPS in June 2022.



Figure 1: Timeline to Publication of Version 7. *Unless directed otherwise by the Regulatory Authorities.

Future Revisions

We will continue to monitor, review and update the BMPS on an enduring basis, in line with our license obligations. Any revisions which may be required will be subject to further public consultation and engagement with the Utility Regulator in Northern Ireland and the Commission for Regulation of Utilities in Ireland.