

Company/Participant	Participant Comments on Mod_13_14 DSUs as Price Takers
ESB	<ul style="list-style-type: none"> Is the intention to have dedicated DSU for units that are eligible for Priority Dispatch / Price Taking status? <p>Yes. Price Taker status is possible for other qualifying non-DSU units. This is unequal and represents discrimination between parties.</p> <ul style="list-style-type: none"> Will it be the case that such Price Taking DSUs will always then be generation only? If so, will such DSUs be able to make a Demand Reduction since they are generation only? The Code is written I think to reflect the fact the DSUs can reduce their demand. <p>The DSU would be called upon to reduce demand when it is in merit in the SEM. As a price taker it would therefore generally be in merit. It would be available to be curtailed however if required by the TSO.</p> <p>Along with the rules set out by the TSC to be a priority dispatch unit requires certification by the Regulators. General demand reduction would not be eligible. High Efficiency CHPs and Biomass generation would be eligible however. With regards to the question of generation, the DSU would probably currently be made up of sites containing high efficiency CHPs. If the regulators changed their views on priority dispatch eligibility this could change also however.</p> <ul style="list-style-type: none"> Already included as an action I think but it would be useful to see a worked example of how such a Price Taking DSU would operate in the market / schedule / dispatch <p>See worked example attached</p>
NIE	<ul style="list-style-type: none"> Until NIAUR publishes the decision on their current consultation on AGU/DSU Licensing Arrangements in NI, NIE feel that the Modification should not proceed until the outcome is known. <p>DSUs are operational in the ROI. It is the stated intention of multiple parties for DSUs to be operational soon in NI. In truth it is possible that DSUs could operate in NI under the current licencing arrangements (existing suppliers are eligible to operate DSUs currently).</p> <p>As DSUs are therefore eligible to operate in both jurisdictions we can't see why this consultation would delay the modification.</p> <p>We do ask the regulator to take cognisance of this objection and to therefore proceed with publishing a decision to the consultation soon.</p> <ul style="list-style-type: none"> NIE are keen to see the worked example from the modification proposer <p>See worked example below</p>

<p>SSE Airtricity</p>	<ul style="list-style-type: none"> • What protections exist under the current drafting with regard to non-CHP units being bundled in with high efficiency CHP units using the price taker classification? <p>We do not feel this is a question for the TSC as eligibility for priority dispatch is a question for the regulators. A protection on this matter exist however. For a unit to be accepted as priority dispatch the TSO requires certification from the regulator. The regulator reviews the application in full and could refuse to allow inclusion of ineligible units</p> <ul style="list-style-type: none"> • Clarification as to whether this Modification + section 2.27 of the TSC effectively allow very large (above de-minimis) CHP units to be registered within the market as Demand Side Units? <p>It is challenging to have a CHP certified as “High Efficiency” as all the heat must be used on site. This means that there are few opportunities for installation of “large” CHPs in Ireland.</p> <p>Under the current rules however, such a large CHP could register as a DSU. It would be unattractive to them however as DSU which export electricity do NOT get paid an energy payment from the SEM. Such units would therefore be unlikely to wish to register as DSUs. Only sites who consume any generated electricity on site, or rarely export electricity are suitable for DSU. (in other words it really only works for demand sites)</p> <ul style="list-style-type: none"> • Whether the proposal not be better facilitated by the existing AGU classification under the Code, which has been designed for generating units? <p>AGUs require the onsite generator to be individually metered and the electricity generated by it have wires charges levied upon it. For a customer with an onsite CHP they would therefore see an increase of €10-30/MWh on the cost of CHP generated electricity. This would equate to more than the benefit they currently receive from operating a CHP</p> <ul style="list-style-type: none"> • Whether there is any cost associated with implementing Mod_13_14 <p>It is our understanding that no system changes are required and we believe that there is therefore no cost to this change</p>
<p>SOs (EirGrid and SONI)</p>	<ul style="list-style-type: none"> • The TSOs would like to ask the question whether or not this modification could unintentionally create a situation of discrimination between high efficiency CHP generators in Northern Ireland registered in the SEM and those in Ireland. <p>High Efficiency CHP generators in Northern Ireland are free to participate as a DSU if it is facilitated by their electricity supplier. It is also expected that in the coming months the rules changes proposed by UREGNI will mean that independent aggregators will be in a position to facilitate DSU participation in Northern Ireland.</p> <ul style="list-style-type: none"> • Currently there are no DSU’s in Northern Ireland in the SEM. The TSO would like clarity as to whether or not this Modification could create a situation where only DSUs in Ireland could get priority dispatch and therefore register as a Predictable Price Taker Generator in the SEM. <p>As above DSUs in NI could participate in the same way as ROI.</p>

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| | <ul style="list-style-type: none">• From a dispatch point of view this Modification will mean that in a scenario where units are required to be constrained down, a DSU with priority dispatch will be constrained down at a later stage than if it was a Predictable Price Maker |
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Under the current arrangements these units are never constrained as they are not under central dispatch. The modification will mean that they will come under the control of the TSO. This will therefore facilitate increased system reliability, more efficient operation, and increased facilitation of wind on the system. If the modification is not accepted, the units will continue to operate outside the market and to never be constrained.

Some general points

Regulations separate from the SEM differ for many participants in NI and ROI. In some ways all participants operate under different regulatory and legislative frameworks on either side of the border. This is not a matter for the SEM TSC to consider when creating rules to facilitate free trade, but rather for the other regulatory bodies.

This modification doesn't increase the amount of constraints imposed upon any other unit as the CHPs in question are currently never constrained (as they don't participate in the market). This change would mean that the customers could enter the market and become controllable by the TSO.