

Single Electricity Market

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| Final REcommendation Report  *Mod\_07\_12*: *Testing Charge Calculation for the Interconnector Error Unit when Under Test*  08 May 2012 |

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Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 0.2 | 30 April 2012 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 1.0 | 08 May 2012 | Modifications Committee Secretariat | Issued to Regulatory Authorities for final decision |

Reference Documents

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| --- |
| **Document Name** |
| [Trading and Settlement Code](http://semopub/MarketDevelopment/MarketRules/TSC.doc) |
| [Mod\_07\_12 Testing Charge Calculation for the Interconnector Error Unit when Under Test](http://semopub/MarketDevelopment/ModificationDocuments/Mod_07_12%20IC%20Error%20Unit.docx) |
| [Meeting 41 Slides](http://semopub/MarketDevelopment/ModificationDocuments/Mod%2007_12%2027March2012.ppt) |

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# MODIFICATIONS COMMITTEE RECOMMENDATION

## Recommended for Approval – unanimous Vote

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| --- | --- | --- |
| **Mod\_07\_12: Recommended for Approval**  **(subject to legal drafting)** | | |
| Julie-Anne Hannon | Supplier Alternate | Approve |
| Sean Doolin | Supplier Alternate | Approve |
| Ian Luney | Generator Member | Approve |
| William Steele | Supplier Member | Approve |
| Mary Doorly | Generator Alternate | Approve |
| Kevin Hannafin | Generator Member | Approve |
| Niamh Quinn | Generator Member | Approve |
| Iain Wright | Supplier Member | Approve |

# Background

This Modification Proposal was raised by SEMO and was received by the Secretariat on 12 March 2012. It proposed changes to Section 5 of the TSC. The proposal was presented at Meeting 41 on 27 March 2012 where it was voted on.

# PURPOSE OF PROPOSED MODIFICATION

## 3A.) Justification for Modification

This modification proposes to clarify that the testing tariff will apply to any Interconnector Error Unit when Under Test for both importing and exporting. Costs to the system will arise for both import and export. As such the TSOs consider it is appropriate to recover these costs as part of the testing charge rather than socialise the cost across all users through Dispatch Balancing Costs. This modification will facilitate decision to allow the classification of the Interconnector Error Unit as Under Test, as approved under Mod 10\_11: Interconnector Under Test. The application of the Testing Tariff to the absolute value of the metered generation for the Interconnector Error Unit when Under Test is being progressed as part of the implementation of Mod 10\_11 and this modification is to clarify this application of the Testing Tariff in the T&SC.

## 3B.) Impact of not Implementing a Solution

If this modification is not implemented, Testing Tariffs will only apply to the Interconnector Error Unit when importing. Any additional costs arising to the system when the Interconnector Error Unit is Under Test and exporting will be captured as Dispatch Balancing Costs and be recovered through Imperfections.

## 3c.) Impact on Code Objectives

This modification proposal furthers Objective 7 of the Code Objectives: to promote the short-term and long-term interests of consumers of electricity on the island of Ireland with respect to price, quality, reliability, and security of supply of electricity.

# Assessment of Alternatives

N/A

# Working Group and/or Consultation

N/A

# impact on systems and resources

N/A

# Impact on other Codes/Documents

N/A

# MODIFICATION COMMITTEE VIEWS

## Meeting 41 – 27 March 2012

Proposer presented the background of proposal. T&SC currently does not apply the testing tariff to a Generator Unit Under Test when the metered generation value is less than zero. In the case of the Interconnector Error Unit, this would preclude the testing tariff application when exporting energy under test. The Modification Proposal proposes to clarify that the testing tariff will apply to any Interconnector Error Unit when Under Test for both importing and exporting.

Proposer advised that there is a drafting error in Section 5.180A where MGu’’h should read MGLFu’’h. Chair commented that it would be possible to have the same tariff for import and export. SO Member was advised that the TSO are not in a position to allow for this at the moment. Observer queried as to whether the import and export figures are netted?

SEMO Alternate advised that the net figure is taken from the Metered Generation of the Interconnector Error Unit therefore it is one figure. Chair queried as to who pays the testing charge? SO Member advised that the Interconnector Owner pays. Generator Member queried as to whether the charge will also apply to Moyle? SO Member confirmed that it will.

# Proposed Legal Drafting

5.180 The Market Operator shall calculate the Testing Charge applicable to each Generator Unit u Under Test except any Interconnector Error Unit u’’ Under Test for each Trading Period h (TCHARGEuh) as follows:



Where

1. TTARIFFuh is the Testing Tariff applicable to Generator Unit Under Test u in Trading Period h, as set out in the schedule of Testing Tariffs;
2. MGLFuh is the Loss-Adjusted Metered Generation for the Generator Unit Under Test u for Trading Period h.

5.180A The Market Operator shall calculate the Testing Charge applicable to each Interconnector Error Unit u’’ Under Test for each Trading Period h (TCHARGEu’’h) as follows:



Where

1. TTARIFFuh is the Testing Tariff applicable to Generator Unit Under Test u in Trading Period h, as set out in the schedule of Testing Tariffs;
2. MGLFu’’h is the Loss-Adjusted Metered Generation for the Interconnector Error Unit u’’ Under Test for Trading Period h.

# LEGAL REVIEW

Complete

# IMPLEMENTATION TIMESCALE

The proposed implementation date is one working day after the day on which the Regulatory Authority decision is made. It is proposed that this Modification as set out in Section 9 above is made on a Settlement Day basis.

# Appendix 1: Modification proposal

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| --- | --- | --- | --- | --- | --- |
| **MODIFICATION PROPOSAL FORM** | | | | | |
| **Proposer** | **Date of receipt** | | **Type of Proposal** | | **Modification Proposal ID** |
| **EirGrid TSO** | **12 March 2012** | | **Standard** | | **Mod\_07\_12** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Gill Nolan** | | **+353 (0)1 2370271** | | [Gill.Nolan@eirgrid.com](mailto:Gill.Nolan@eirgrid.com) | |
| **Modification Proposal Title** | | | | | |
| **Testing Charge Calculation for the Interconnector Error Unit when Under Test** | | | | | |
| **Documents affected**  *(delete as appropriate)* | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **T&SC** | | **5.180** | | **T&SC Version 10** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| The T&SC currently does not apply the testing tariff to a Generator Unit Under Test when the metered generation value is less than zero. In the case of the Interconnector Error Unit, this would preclude the testing tariff application when exporting energy under test.  This modification proposes to clarify that the testing tariff will apply to any Interconnector Error Unit when Under Test for both importing and exporting. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| 5.180 The Market Operator shall calculate the Testing Charge applicable to each Generator Unit u Under Test except any Interconnector Error Unit u’’ Under Test for each Trading Period h (TCHARGEuh) as follows:    Where   1. TTARIFFuh is the Testing Tariff applicable to Generator Unit Under Test u in Trading Period h, as set out in the schedule of Testing Tariffs; 2. MGLFuh is the Loss-Adjusted Metered Generation for the Generator Unit Under Test u for Trading Period h.   5.180A The Market Operator shall calculate the Testing Charge applicable to each Interconnector Error Unit u’’ Under Test for each Trading Period h (TCHARGEu’’h) as follows:    Where   1. TTARIFFuh is the Testing Tariff applicable to Generator Unit Under Test u in Trading Period h, as set out in the schedule of Testing Tariffs; 2. MGLFu’’h is the Loss-Adjusted Metered Generation for the Interconnector Error Unit u’’ Under Test for Trading Period h. | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| This modification proposes to clarify that the testing tariff will apply to any Interconnector Error Unit when Under Test for both importing and exporting. Costs to the system will arise for both import and export. As such the TSOs consider it is appropriate to recover these costs as part of the testing charge rather than socialise the cost across all users through Dispatch Balancing Costs. This modification will facilitate decision to allow the classification of the Interconnector Error Unit as Under Test, as approved under Mod 10\_11: Interconnector Under Test. The application of the Testing Tariff to the absolute value of the metered generation for the Interconnector Error Unit when Under Test is being progressed as part of the implementation of Mod 10\_11 and this modification is to clarify this application of the Testing Tariff in the T&SC. | | | | | |
| **Code Objectives Furthered**  *(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)* | | | | | |
| This modification proposal furthers Objective 7 of the Code Objectives: to promote the short-term and long-term interests of consumers of electricity on the island of Ireland with respect to price, quality, reliability, and security of supply of electricity. | | | | | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | | | | | |
| If this modification is not implemented, Testing Tariffs will only apply to the Interconnector Error Unit when importing. Any additional costs arising to the system when the Interconnector Error Unit is Under Test and exporting will be captured as Dispatch Balancing Costs and be recovered through Imperfections. | | | | | |
| **Working Group**  *(State if Working Group considered necessary to develop proposal)* | | | **Impacts**  *(Indicate the impacts on systems, resources, processes and/or procedures)* | | |
| No | | |  | | |
| ***Please return this form to Secretariat by email to*** [*modifications@sem-o.com*](mailto:modifications@sem-o.com) | | | | | |