

Single Electricity Market

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| Final REcommendation Report  Mod\_08\_15 : clarification of outturn availability  20 January 2017 |

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Document History

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| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 20 January 2017 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 16 March 2017 | Modifications Committee Secretariat | Issued to Regulatory Authorities for final decision |

Reference Documents

|  |
| --- |
| **Document Name** |
| [Trading and Settlement Code](http://semopub/MarketDevelopment/MarketRules/TSC.docx) |
| [Modification Proposal](http://semopub/MarketDevelopment/ModificationDocuments/Mod_08_15%20Clarification%20of%20Outturn%20Availability.docx) |
| [Outturn Availability Presentation](http://semopub/MarketDevelopment/ModificationDocuments/Presentation%20Outturn%20Availab_20151201.pptx) |
| [Outturn Availability Grid Code Consultation](http://www.soni.ltd.uk/Operations/GridCodes/documentation/consultations/) |
| [Eirgrid Outturn Availability Grid Code Proposal](https://eirgrid.app.box.com/s/edrcnjv21wazyacazf3rku5avxd8p3tq/1/6630399093) |

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# MODIFICATIONS COMMITTEE RECOMMENDATION

## Recommended for approval – unanimous Vote

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Clive Bowers | Generator Alternate | Approved |
| Mary Doorly | Generator Member | Approved |
| Julie- Anne Hannon - Chair | Supplier Member | Approved |
| Brian Mongan | Generator Member | Approved |
| Philip Carson | Supplier Alternate | Approved |
| Jim Wynne | Supplier Member | Approved |
| Eamonn O’Donoghue | Interconnector Member | Approved |
| Paddy Finn | DSU Member | Approved |

# Background

This Modification Proposal was raised by the TSO and was received by the Secretariat on 19 November 2015. The purpose of this Modification Proposal is a clarification of outturn availability.

The Modification Proposal was discussed at Meetings 65 - 70 and at Meeting 71 on 1 December 2016 where it was voted on.

# PURPOSE OF PROPOSED MODIFICATION

**3A.) justification of Modification**

On 29 September 2015, the SEMC published Decision Paper SEM-15-071 “Process for the Calculation of Outturn”. In this decision paper, the SEMC note that Outturn Availability is not adequately defined in the TSC and requires that the TSOs bring forward a modification commensurate with this decision paper. This modification is to clarify Outturn Availability in the TSC, as per SEMC direction.

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

Outturn Availability will not be clarified in the TSC.

SEMC direction to the TSOs in SEM-15-071 will not be implemented.

The TSOs may be unable to implement SEM-15-071.

**3c.) Impact on Code Objectives**

The objectives of the TSC that this modification aims to further are

1.3.3: to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;

1.3.5: to provide transparency in the operation of the Single Electricity Market;

1.3.7: 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.

1. **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 **65 – 3 december 2015**

Secretariat welcomed Gill Nolan and Jeffrey Godsell from Eirgrid TSO who were in attendance to propose this modification. Proposer delivered a [presentation](http://semopub/MarketDevelopment/ModificationDocuments/Presentation%20Outturn%20Availab_20151201.pptx) detailing the rationale behind this modification.

Generator Member enquired as to the implementation timescale for RA Decision. Proposer advised that the principles were to be implemented from January 2016, as per the TSOs understanding of the intent of the SEMC, unless advised otherwise by the RAs. Proposer confirmed that the principles relate to scheduled outages and declaring technical availability. Generator Member confirmed that this principle resulted in declaring zero for up to 5 days. Proposer confirmed that this was in the instance of scheduled annual maintenance and zero availability for 5 days.

Generator Member asked how this could be enforced without legislation. Proposer referred Grid Code SCD 1.4.3.2 & 1.4.3.3 specifically the use of the exception clauses. It was advised that this process was already in practice. It was confirmed that this does not apply to legacy generators.

It was suggested that there are different practices in NI & ROI and these should be reviewed. Proposer asked that should there be comments and wording proposals they would be welcome. Generator Member advised that they felt no obligation to comply with this. Chair observed that Grid Code proposal was not accepted by all parties as ‘custom and practice’ in ROI as reflected in responses to the consultation process that preceded the SEM Committee Decision SEM-15-071 and also stressed that this matter should be considered in the context of I-SEM as this posed as major risk to generators under reliability options and potentially administered scarcity pricing.

Supplier Alternate raised the point that the Trading & Settlement Code should not refer to the Grid Code for a definition and asked why this definition couldn’t be defined. MO Member advised that this was common practice. Also the Grid Code definitions contained additional references to GC sections and terminology that is not defined in the T&SC therefore such inclusions in the T&SC would be inappropriate. It was also felt that this proposal could not be progressed until the Grid Code Modification Proposal was developed.

Proposer advised that the Grid Code proposal was in progress and this would then feed back to the Modifications Proposal process. Supplier Member asked if the Trading & Settlement Code needed to change to implement these principles. The question was raised as to the RAs implementation timescale. RA Member advised that he was not aware of that detail but that he would take the action to look into the matter.

Generator Member strongly suggested that these principles are not implemented for 1 Jan 2016. DSU Member made the point that the exception clause already in existence still remains. Proposer advised that the exception clause could be removed in light of the additional clarifications being proposed to give certainty to Generators and that the Grid Code Modification is being further developed.

On a separate note RA Member raised concerns relating to branding material used for the slide presentation. Secretariat advised that this would be noted and communicated internally and that the branding across the group and the various entities was being looked at.

## Meeting **66 – 11 february 2016**

SO observer advised that the Grid Code proposals were being developed with a submission deadline of 23 February with the meeting being held 10 March. Generator Member enquired as to the availability of the SONI Consultation paper. SO observer advised that this would be available shortly and could be made available to the Committee. SO observer also suggested that the Grid Code proposals could be made available to the Committee.

Generator Member advised that whilst in agreement with the principle they found the implementation timescale and process unacceptable. They also advised that without rules and regulations such decisions were not enforceable. They also advised that there was no such definition in either the Trading & Settlement Code or the Grid Code. SO observer clarified that the Trading and Settlement Code already contained a definition and offered to engage after the committee meeting to clarify this further.

Another Generator Member advised that whilst they had not read the clarification they were in agreement with the sentiment expressed by the Generator Member in terms of implementation without definition. A further Generator Member agreed and advised that they also felt that this was inappropriate.

Generator Member requested comment from the RA on this matter. RA Member advised that he would take away the comments expressed and discuss this matter with the relevant representatives who were closely involved in this area. RA Member asked if the proposed implementation presented a practical difficulty or if the objection was to the process taken in this case.

Generator Member advised that due process must be followed. He understood the intention but could not accept that this would go live from 1January 2016. Discussion ensued in relation to the existence of a current definition. SO observer explained the rationale behind the current modifications being developed. RA Member also offered to discuss this further following the meeting with the Generator Member. This proposal was deferred until Meeting 67.

## Meeting **67 – 14 april 2016**

Chair sought to clarify Generator Member comments received in that the claim that ‘All Generators’ were in agreement was not correct as this position was not in fact shared by all generators.

Generator Member advised that whilst he understood the rational behind the need for this he was very much in opposition to this. Dissatisfaction was registered at the fact that there would be no further ex-ante forum planned contrary to his expectations. It was advised that a number of clarifications still remained. Secretariat proposed that all such concerns be noted by Members in the Meeting Minutes drafting process and also addressed to the Proposer.

Proposer advised that the TSOs had not received any feedback requesting a further ex-ante forum. The discussion at the Ireland Ex-Ante forum was understood to be in relation to the ex-post forum, and not a reference to another ex-ante forum. Annual maintenance will be scheduled to overlap with the generator’s own outage wherever possible. The first five days of annual maintenance will be the designated days. There will only be implications for generators in terms of their availability if the maintenance is not scheduled to coincide with the Generator’s own outage.

Generator Member raised concerns for exposure to Scarcity Prices in I-SEM. RA Member confirmed that this issue has been noted and already raised internally to the CRM team.

Generator Member stated that they would be looking into clarifications in advance of any outage and how will weekend be considered.

It was also stated that there was no need to get clarifications from Asset Owner in this matter as Generator have no contractual arrangements with Asset Owners and only have dealings with SO, MO or RAs.

Clarifications also requested on progression of the definition of Annual Maintenance in the Grid Code. The Proposer confirmed that this is part of the Grid Code Modification.

It was agreed that the Grid Code was the appropriate forum for discussion for the definition of Annual Maintenance, as it is not in the T&SC or in the TSC modification proposal. Once Grid Code modifications have progressed, then the TSC Modification will follow.

Proposer will forward links to the Secretariat of all information and discussion on the related Grid Code Modification proposal progression and Secretariat will forward this to the Committee Members.

## Meeting **68 – 09 JUNE 2016**

Update provided by TSO on progress of the Grid Code Modifications. All outstanding Joint Grid Code Review Panel actions were addressed at the May JGCRP; a query concerning DSUs was raised and addressed and it was minuted that there will be no changes to registration. Four changes were made to the original Grid Code modifications.

These changes addressed (i) reasonable notice of outage in the definition of Annual maintenance, (ii) clarification of the Grid Code text for associated capital works, (iii) use of the term Generating Unit to align both Grid Codes and (iv) clarifications in relation to Pumped Storage Plant Demand, Aggregated Generating Units and Demand Side Units. At the SONI GCRP, there was a discussion in relation to legacy units.

Following the Grid Code meeting both Grid Code modifications (EirGrid and SONI) are being forwarded with recommendations to approve to the RAs, along with a report on the discussions and views received at the GCRPs and through the SONI consultation. The decision was taken to defer a vote on MOD\_08\_15 until the RAs decisions on the Grid Code Modifications are published.

## Meeting **69 – 11 AUGUST 2016**

The SO Alternate (ROI) stated that the corresponding Grid Code Modifications were still awaiting RA decision. Therefore the T&SC Modification (as per previous decision of the Panel) was deferred until circulation of the RA decision. RA Member proposed to circulate any up to date progress from the Grid Code RA team to the Panel.

## Meeting **70 – 13 OCTOBER 2016**

The SO Alternate (ROI) advised that CER had approved the ROI Grid Code modification. It was advised that no decision has been made as yet on relation to the NI Grid Code modification proposal. RA Member (NI) advised that they would take an action to discuss this with the relevant regulatory contact and provide an update to the Committee.

## Meeting **71 – 01 DECEMBER 2016**

This modification had previously been deferred pending the outcome of both Grid Code modifications. As both Grid Code proposals have now been approved by the respective RAs, the Committee were happy to vote on this proposal.

# Proposed Legal Drafting

As set out in Appendix 1below.

# LEGAL REVIEW

Complete

# IMPLEMENTATION TIMESCALE

It is proposed that this Modification implemented as the Modifications Committee have Recommended it for Approval and on a trading day following receipt of the RA Decision.

# Appendix 1: Mod\_08\_15: clarification of outturn availability

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **MODIFICATION PROPOSAL FORM** | | | | | |
| **Proposer**  *(Company)* | **Date of receipt**  *(assigned by Secretariat)* | | **Type of Proposal**  *(delete as appropriate)* | | **Modification Proposal ID**  *(assigned by Secretariat)* |
| **EirGrid** | **19 November 2015** | | **Standard** | | **Mod\_08\_15** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Gill Nolan** | | **01 2370271** | | [**Gill.Nolan@EirGrid.com**](mailto:Gill.Nolan@EirGrid.com) | |
| **Modification Proposal Title** | | | | | |
| **Clarification of Outturn Availability** | | | | | |
| **Documents affected**  *(delete as appropriate)* | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **T&SC** | | **Glossary** | | **V18** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| On 29 September 2015, the SEMC published Decision Paper SEM-15-071 “Process for the Calculation of Outturn Availability”. In this decision paper, the SEMC note that Outturn Availability is not adequately defined in the Trading and Settlement Code (and not defined in the Grid Code) and requires that the TSOs bring forward modifications commensurate with this decision paper.  Outturn Availability is the name assigned in SEM to the set of availability data for the relevant day received by the SEM systems from the TSO systems following the end of that day. This set of data is subsequently used to develop the availability profile of each Generator Unit in the SEM and consequently affects the commercial position of the generator. This modification to the TSC does not propose to change this meaning of Outturn Availability, but instead to clarify the definitions of Availability and Outturn Availability, referring to the Grid Code.  As the Grid Code does not currently refer to the term Outturn Availability, as the submission of data from the TSO systems to the SEM systems after the relevant day is not within scope of the Grid Code, a modification to the Grid Code is being progressed in parallel to define Outturn Availability as being set equal to the Availability and also clarify the requirements on a generator when declaring Availability to the TSOs. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| **Availability** means a Generator Unit’s capability in MW to deliver Active Power or a Demand Side Unit’s capability of reducing the Active Power consumed on the Trading Site, declared to the TSO as required under the relevant Grid Code.  **Outturn Availability** means the set of Outturn Availability data (as defined under the relevant Grid Code) for a Generator Unit provided for a previous Trading Day submitted in accordance with paragraph 4.48.  **Primary Fuel Type Outturn Availability** means the subset of Outturn Availability data (as defined under the relevant Grid Code) for a Dual Rated Generator Unit pertaining to the Availability of the Dual Rated Generator Unit based on its Primary Fuel Type provided for a previous Trading Day submitted in accordance with paragraph 4.48.  **Secondary Fuel Type Outturn Availability** means the subset of Outturn Availability data (as defined under the relevant Grid Code) for a Dual Rated Generator Unit pertaining to the Availability of the Dual Rated Generator Unit based on its Secondary Fuel Type provided for a previous Trading Day submitted in accordance with paragraph 4.48. | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| On 29 September 2015, the SEMC published Decision Paper SEM-15-071 “Process for the Calculation of Outturn”. In this decision paper, the SEMC note that Outturn Availability is not adequately defined in the TSC and requires that the TSOs bring forward a modification commensurate with this decision paper. This modification is to clarify Outturn Availability in the TSC, as per SEMC direction. | | | | | |
| **Code Objectives Furthered**  *(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)* | | | | | |
| The objectives of the TSC that this modification aims to further are  1.3.3: to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;  1.3.5: to provide transparency in the operation of the Single Electricity Market;  1.3.7: 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)* | | | | | |
| Outturn Availability will not be clarified in the TSC.  SEMC direction to the TSOs in SEM-15-071 will not be implemented.  The TSOs may be unable to implement SEM-15-071. | | | | | |
| **Working Group**  *(State if Working Group considered necessary to develop proposal)* | | | **Impacts**  *(Indicate the impacts on systems, resources, processes and/or procedures)* | | |
|  | | |  | | |
| ***Please return this form to Secretariat by email to*** [***modifications@sem-o.com***](mailto:modifications@sem-o.com) | | | | | |