



# Single Electricity Market

## FINAL RECOMMENDATION REPORT

### MOD\_06\_20 REMOVING THE REQUIREMENT FOR A MONTHLY LOAD FORECAST

1 MARCH 2021

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## Document History

Version	Date	Author	Comment
1.0	1 <sup>st</sup> March 2021	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0	8 <sup>th</sup> March 2021	Modifications Committee Secretariat	Issued to Regulatory Authorities for final decision

## Reference Documents

Document Name
<a href="#">Trading and Settlement Code</a>
<a href="#">Modification Proposal</a>
<a href="#">Presentation</a>

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## 1. MODIFICATIONS COMMITTEE RECOMMENDATION

### RECOMMENDED FOR APPROVAL– MAJORITY VOTE

Recommended for Approval by Majority Vote		
Paraic Higgins (Chair)	Generator Member	Reject
Sean McParland	Generator Alternate	Approve
Stacy Feldmann	Generator Member	Approve
Bryan Hennessy	Supplier Member	Approve
Ian Mullins	Supplier Member	Approve
Andrew Burke	Supplier Member	Approve
Alan Mullane	Assetless Member	Approve
Cormac Daly	Generator Member	Approve
Robert McCarthy	DSU Member	Approve
Philip Carson	Supplier Member	Approve

## 2. BACKGROUND

This Modification Proposal was raised by EirGrid and was received by the Secretariat on 9<sup>th</sup> April 2020. The proposal was raised at Meeting 98 on 23<sup>rd</sup> April 2020, discussed at Meeting 99 on 18<sup>th</sup> June 2020, Meeting 100 on 20<sup>th</sup> August 2020, Meeting 101 on 22<sup>nd</sup> October, Meeting 102 on 3<sup>rd</sup> December 2020 and voted on at Meeting 103 on 11<sup>th</sup> February 2021.

EirGrid proposed that they remove the requirement for the TSO to provide a monthly load forecast as it is no longer used. The monthly load forecast is a carry-over from the old market where it fed into the CRM (Capacity Remuneration Mechanism); therefore, it is no longer needed. An internal review has been carried out, and the monthly load forecast is no longer required for any Market or TSO process. EirGrid will continue to produce the Annual/Four Day Load Forecasts which are published on the SEMO website.

## 3. PURPOSE OF PROPOSED MODIFICATION

### 3A.) JUSTIFICATION OF MODIFICATION

The monthly load forecast is no longer used and is therefore redundant. It does not appear to be a report that is being used by market participants. There is also a large overhead in producing the report each month.

### **3B.) IMPACT OF NOT IMPLEMENTING A SOLUTION**

Resources will be taken from other priority tasks.

### **3C.) IMPACT ON CODE OBJECTIVES**

A.2.1.4 The aim of this Code is to facilitate the achievement of the following objectives:

- (a) to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences;

The Market Operator will be more efficient if this task does not need to be performed.

## **4. WORKING GROUP AND/OR CONSULTATION**

N/A

## **5. IMPACT ON SYSTEMS AND RESOURCES**

N/A

## **6. IMPACT ON OTHER CODES/DOCUMENTS**

N/A

## **7. MODIFICATION COMMITTEE VIEWS**

### **MEETING 98 – 23 APRIL 2020**

The Proposer delivered a [presentation](#) on this Modification Proposal confirming the aim was to remove the Monthly Load Forecast and maintaining the annual load forecast. It was confirmed that the 4 day load forecast would still continue to be automatically published. It was explained that originally the monthly load forecast fed into Capacity calculation for the previous market and this is no longer required in I-SEM. In fact there is no reference in the Trading & Settlement Code or either Grid Code. The Proposer delivered analysis on the difference between annual and monthly load forecasts noting that the annual was 6.2% accurate and the monthly 0.5%. The Capacity Modification CMC\_09\_19 was referred to with the Proposer advising that it states only the annual forecast is needed. The Proposer gave assurance that if the monthly load forecast was removed the functionality would remain so that if it was required in the future it could be activated again. A Generator Member made a point that forecasts are hugely useful right now for monitoring errors and having both the annual and monthly forecast would lower the risk of errors occurring. TSO Observer Modifications Committee Meeting 98 Minutes Page 13 of 17 advised that the Annual Forecast is prepared and published in August and it is based around the Capacity Statement which is 8 months out of date by that stage. So it could potentially be improved by using more up to date data. Another Generator Member agreed with the points raised noting that the information on secondary trading was useful whether it was referred to or not before removing this feed it should be beneficial to wait for secondary trading to occur to see how useful this file was in assessing risk. A TSO observer suggested that if the Monthly Load could be manually published to the TSO publications instead of the SEMO website, this would reduce the workload considerably. The suggestion was noted with a view that this could be an acceptable compromise provided that individual IT systems could manage the connection to a different section of the website. A discussion ensued around the possibility of suspending the monthly forecast until the consultation on CMC\_09\_19 is complete. A suspension of 3 months was proposed or the suggestion of continuing to publish it manually provided this was compatible with Participant's IT systems. Also discussions ensued on whether these new proposed conditions should be formally submitted as a new Modification with temporary effect to maintain compliance from the TSO. It was accepted that if the file would continue to be produced and uploaded to the TSO pages of the website

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this should still be considered as compliant or at least partially compliant to the T&SC requirements. The Panel agreed this was a reasonable compromise pending confirmation of their IT providers. The TSO observer agreed with this approach and to test the process with the next publication.

### **MEETING 99 – 18 JUNE 2020**

SEMO provided an update on this Modification noting that two actions that arose from this have been closed. TSO confirmed that the report was published last month on the SEMO website inviting Participants to test their own connectivity to the new location, and the RAs have confirmed that no issues will be raised with compliance due to the changes in the publication page. SEMO advised that this Modification was deferred pending Secondary Trading being set up as more time was needed by Participants to consider the utility of this feed for that purpose. A Generator Member noted following COVID-19 and consequent impacts on demand that they felt that the value of the Monthly Load Forecast data was elevated. It was noted that a monthly forecast could be a lot more accurate than an annual forecast due to changes in consumption resulting from measures taken due to Covid. TSO assured the Committee that this monthly forecast can continue to be published manually in the meantime on their section of the SEMO website. A further action regarding how Members are finding the new format was noted with agreement that comments on this would be available for the next Modifications Meeting in August.

### **MEETING 100 – 20 AUGUST 2020**

A SEMO Alternate provided an update on this Modification reminding Members that there was an open action on Participants to confirm that they could download the forecast from the new webpage on the SEMO website which was circulated following meeting 99. This was in parallel with checks to occur once Secondary Trading was in place, to verify whether this file could be removed or would still be required. A number of Participants admitted they had been unable to confirm if there were any issues with the new publishing page and they requested the link to be circulated again. The Secretariat confirmed they could do that adding a time limit for Participants to confirm whether they could download it without issues.

### **MEETING 101 – 22 OCTOBER 2020**

SEMO provided a brief update on this Modification noting that the Monthly Load Forecast was now published directly on the website. There is a consideration that this report can be removed completely based on whether there is no need for it which will be informed by Members once secondary trading is implemented on 26th October and they have therefore had a chance to consider whether it is useful for that purpose. SEMO noted that by December Members will have had a chance to consider the merits of the report so that the proposal to remove it could be discussed further but this could not be done until secondary trading comes in.

### **MEETING 102 – 3 DECEMBER 2020**

Secretariat confirmed that data will be reviewed by Participants and referred back to the Panel in February 2021 to finalize the outcome on this Modification.

### **MEETING 103 – 11 FEBRUARY 2021**

SEMO provided a background on this Modification noting there was an action on Members to review this data in light of Secondary Trading in Capacity.

SO Operations provided analysis of the files in question noting that there was very little activity on the web page where this is published. It was confirmed that 10 files were published to the SEMO website and just 3 of those had been accessed once. Members were asked to confirm if this was the case. A

Generator Member confirmed that there was very limited use for this file and SEMO added that the Capacity Team has no need for it either.

A point was made by a Generator Member that the relevance of the report cannot be determined by the number of times it is downloaded and the nature of secondary trading is such that there isn't a standard trade on a daily basis and there could be occasions where this file could become useful.

A Supplier Member noted that although they do not use the file, if it is used for Secondary Trading then it is a valued function. SEMO advised that there is no use of this file internally and that the procedures to process and publish this file are still taking resources away from other tasks.

## **8. PROPOSED LEGAL DRAFTING**

As per legal drafting section of Appendix 1.

## **9. LEGAL REVIEW**

N/A

## **10. IMPLEMENTATION TIMESCALE**

It is recommended that this Modification should be made effective from the first Settlement Date following publication of the SEM Committee decision.

## 1 APPENDIX1: MOD\_06\_20 REMOVING THE REQUIREMENT FOR A MONTHLY LOAD FORECAST

### MODIFICATION PROPOSAL FORM

Proposer <i>(Company)</i>	Date of receipt <i>(assigned by Secretariat)</i>	Type of Proposal <i>(delete as appropriate)</i>	Modification Proposal ID <i>(assigned by Secretariat)</i>
EirGrid	9 <sup>th</sup> April 2020	Standard	Mod_06_20
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Diarmuid Ó Foghlú			
Modification Proposal Title			
Removing the requirement for a Monthly Load Forecast			
Documents affected <i>(delete as appropriate)</i>	Section(s) Affected	Version number of T&SC or AP used in Drafting	
T&SC Part B Appendices Part B Glossary Part B Agreed Procedures Part B	T&SC Part B: (D.6.1.1)  TSC Part B Glossary (page 27 & page 33)  Appendices Part B: (Table 3 – Data publication list part 3: updated Monthly)  T&SC Part B Agreed Procedure 6 Appendix 2: Report Listing (Data Reports Table)	21.0	
Explanation of Proposed Change <i>(mandatory by originator)</i>			

I am proposing that we remove the requirement for the TSO to provide a monthly load forecast as it is no longer used. The monthly load forecast is a carry-over from the old market where it fed into the CRM (Capacity Remuneration Mechanism); therefore, it is no longer needed. An internal review has been carried out, and the monthly load forecast is no longer required for any Market or TSO process.

We will continue to produce the Annual/Four Day Load Forecasts which are published on the SEMO website.

**Legal Drafting Change**

*(Clearly show proposed code change using **tracked** changes, if proposer fails to identify changes, please indicate best estimate of potential changes)*

**T&SC Part B: remove (b)**

D.6.1.1 Each System Operator shall submit to the Market Operator the following forecast values pertaining to its Jurisdiction in accordance with Appendix K “Other Market Data Transactions”:

- (a) Annual Load Forecast;
- ~~(b) Monthly Load Forecast;~~
- (c) Four Day Load Forecast; and
- (d) Wind Power Unit Forecast.

**TSC Part B - Glossary (change wording – page 27)**

Load Forecasts	means either the Annual Load Forecast, <del>the Monthly Load Forecast</del> or the Four Day Load Forecast or <del>both all of them</del> as appropriate.
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**TSC Part B - Glossary (remove the following – page 33)**

<del>Monthly Load Forecast</del>	<del>means the forecast of Demand to be met by Generator Units (other than not Dispatchable, not Controllable Generator Units that are not Wind or Solar Power Units) at the point where the Units are Connected (i.e. prior to the application of Combined Loss Adjustment Factors), but not of Unit Load for Generator Units, for each Imbalance Settlement Period in the next Month.</del>
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**Appendices Part B - Appendix E (remove highlighted text)**

**Table 1 – Data publication list part 3: updated Monthly**

Time	Item / Data Record	Term	Subscript
<b>Monthly</b>			
Within five Working Days of its creation	Market Operator Performance Report		
At least one Working Day before start of Month	Monthly Maintenance Schedule Generator Unit outages	--	--
At least one Working Day before start of Month	Monthly Maintenance Schedule Transmission System line outages	--	--
<del>At least one Working Day before start of Month</del>	<del>Monthly Load Forecast and assumptions</del>	<del>--</del>	<del>--</del>
At least once every Month	Registered Capacity	RC	u

**Appendices Part B - Appendix K (remove text)**

**DATA TRANSACTIONS**

2. The Data Transactions in this Appendix K include:

**Data Transactions from System Operator to Market Operator**

- (a) System Parameters (FCLAF)
- (b) Loss Adjustment Factors (FTLAF and FDLAF)
- (c) Generator Unit Technical Characteristics
- (d) Short Term Reserves (qSTR and qORR)
- (e) System Operator Flags (FSO, FNM and FSS)
- (f) Demand Control (QDC)
- (g) System Characteristics (FRQAVG and FRQNOR)
- (h) Dispatch Instructions
- (i) SO Interconnector Trades
- (j) SO Interconnector Physical Notifications
- (k) Annual Load Forecast
- ~~(l) Monthly Load Forecast~~

**Appendices Part B - Appendix K (remove the following)**

~~**Monthly Load Forecast Data Transaction**~~

~~20. The Data Records for the Monthly Load Forecast Data Transaction are described in Table 24 and the Submission Protocol in Table 25.~~

**Appendices Part B - Appendix K (Remove Table 24)****Table 24 – Monthly Load Forecast Data Transaction Data Records**


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<del>Period Type (A for Annual, M for Monthly or D for Daily)</del>
<del>Trading Day</del>
<del>Imbalance Settlement Period</del>
<del>Jurisdiction</del>
<del>Monthly Load Forecast value, in MW</del>
<del>Assumptions</del>

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**Appendices Part B - Appendix K (Remove Table 25)****Table 25 – Monthly Load Forecast Data Transaction Submission Protocol**


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<del>Sender</del>	<del>System Operator(s)</del>
<del>Recipient</del>	<del>Market Operator</del>
<del>Number of Data Transactions</del>	<del>One per Jurisdiction, containing data for each Imbalance Settlement Period in the relevant calendar Month</del>
<del>Frequency of Data Transactions</del>	<del>Monthly, plus as updated</del>
<del>First Submission time</del>	<del>Four Working Days before the start of the relevant Month</del>
<del>Last Submission time</del>	<del>One Working Day before the start of the relevant Month</del>
<del>Permitted frequency of resubmission prior to last submission time</del>	<del>Unlimited</del>
<del>Required resubmission subsequent to last submission time</del>	<del>None</del>
<del>Valid Communication Channels</del>	<del>Type 3 (computer to computer)</del>
<del>Process for data validation</del>	<del>None</del>

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**T&SC Part B Agreed Procedure Appendix 2: Report Listing (remove highlighted text)**

Publication / Data Report Name	Class	Timing	Subscript	Available via BMI	Confidentiality	Validity
List of Registered Units	A	Daily, only when a new Unit Registration is approved.	-	Y	Member Public	
List of Registered Participants	K	Daily, only when a new Party Registration is approved.	-	Y	Member Public	
Settlement Statement	A	Defined Schedule by the Settlement Calendar (Daily by Business Day)	-	Y	Member Private	
Settlement Report	A	Defined Schedule by the Settlement Calendar (Daily by Business Day)	-	Y	Member Private	
Settlement Document	A	As defined by Settlement Calendar (Weekly, Ad hoc as required)	-	Y	Member Private	
Collateral Report	A	Daily, ad hoc as required	-	Y	Member Private	
Annual Combined Loss Adjustment Factor	B	Once every year, in August and ad hoc upon new Unit registration	uy for Generator Units, ly for Interconnector	Y	Member Public	
Annual Load Forecast	B	Once every year, in August	-	Y	Member Public	
Settlement Calendar	B	Four Months before start of Year	-	Y	Member Public	
Discount for Over Generation	B	At least two Months before start of Year	uy	Y	Member Public	
Premium for Under Generation	B	At least two Months before start of Year	uy	Y	Member Public	
Monthly Load Forecast and Assumptions	C	Once every Month	-	Y	Member Public	
Registered Capacity	C	Once every Month	u	Y	Member Public	

**Modification Proposal Justification***(Clearly state the reason for the Modification)*

<p>The monthly load forecast is no longer used and is therefore redundant.</p> <p>It does not appear to be a report that is being used by market participants. There is also a large overhead in producing the report each month.</p>	
<p><b>Code Objectives Furthered</b></p> <p><i>(State the Code Objectives the Proposal furthers, see Section 1.3 of Part A and/or Section A.2.1.4 of Part B of the T&amp;SC for Code Objectives)</i></p>	
<p>A.2.1.4 The aim of this Code is to facilitate the achievement of the following objectives:</p> <p style="margin-left: 40px;">(b) to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences;</p> <p>The market operator will be more efficient if this task does not need to be performed.</p>	
<p><b>Implication of not implementing the Modification Proposal</b></p> <p><i>(State the possible outcomes should the Modification Proposal not be implemented)</i></p>	
<p>Resources will be taken from other priority tasks.</p>	
<p style="text-align: center;"><b>Working Group</b></p> <p><i>(State if Working Group considered necessary to develop proposal)</i></p>	<p style="text-align: center;"><b>Impacts</b></p> <p><i>(Indicate the impacts on systems, resources, processes and/or procedures; also indicate impacts on any other Market Code such as Capacity Market Code, Grid Code, Exchange Rules etc.)</i></p>
<p>N/A</p>	<p>N/A</p>
<p><b>Please return this form to Secretariat by email to <a href="mailto:balancingmodifications@sem-o.com">balancingmodifications@sem-o.com</a></b></p>	