Annual Audit of the Scheduling and Dispatch Process

2026 and 2027 Terms of Reference

28/10/2026

EirGrid SONI

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1. Executive Summary

In compliance with Paragraph 9 of Condition 10A and Condition 22A of the respective Transmission System Operator Licenses, EirGrid plc and SONI Limited ('the Transmission System Operators') are required to undertake a periodic audit of the operation and implementation of the Scheduling and Dispatch process. The scheduling process is determining the optimal combination of committed generation units to be scheduled to meet the forecasted demand over the next 30 hours. This process ensures that the subsequent dispatch of the committed units during this 30-hour period maintains a secure and reliable operation of the transmission system. The Long-Term Schedules provide generators with an initial 30-hour dispatch schedule, detailing the committed units and their expected dispatch levels for the upcoming 30-hour period. This enables the TSOs to optimally schedule and dispatch the available generation resources to match the anticipated demand while adhering to system security constraints and operational requirements. Dispatch is the process of balancing supply and demand in real-time while meeting all the security constraints and maximizing the output from priority units.

The license conditions state that –

'The Licensee shall arrange for the carrying out of a periodic audit of the scheduling and dispatch process, its operation and implementation in accordance with directions given to it from time to time … in respect of such matters as ... (the Commission for Regulation of Utilities and the Utility Regulator (collectively referred to as 'the Regulatory Authorities')) … considers appropriate, including…

(A) the frequency, audit period, process, and timetable for the audit.

(B) the selection, appointment, and tenure of a person or firm to carry out the audit.

(C) the terms of reference for the audit.

(D) the publication of the audit report and of any other relevant materials.'

The 2026 audit period will be from 01 January 2026 to 31 December 2026 inclusive ("2026 audit"). The 2027 audit period will be from 01 January 2027 to 31 December 2027 inclusive ("2027 audit").

This document sets out the Terms of Reference ("ToR") for both the 2026 and 2027 audits of the Scheduling and Dispatch process including the proposed scope that was consulted on. The previous Scheduling and Dispatch audit ToR document was for the two-year period covering calendar years 2024 and 2025; similarly, this document is for a two-year period covering calendar years 2026 and 2027 and is largely unchanged with the exception of the following:

The articles under the CZA (Cross Zonal Actions) pillar have been included in the scope.

2. Consultation Report

The Transmission System Operators received one submission during the consultation period which closed on 17 July 2026. The TSOs would like to thank the party for their representation, which is summarised and published in this document, and which was forwarded to the Regulatory Authorities and the auditor.

The following table summarises the representation received on the scope for the 2026 and 2027 audit periods.

Representations on the Scope	Transmission System Operators Response
We believe it would be beneficial for the scope to include some more granular and explicit assessment of compliance across areas #3 (Dispatch Instructions) & #4(Merit Orders) specifically for ESPS units, given the recent SDP changes introduced in November 2025 affecting this technology type.	The proposed TOR are intended to provide assurance over compliance with the applicable regulatory requirements governing the Scheduling and Dispatch process and are therefore structured around regulatory obligations rather than specific technology types. The areas highlighted, including Physical Notifications, generator availability, Technical

This would help provide some additional transparency and progress reporting around the implementation and ongoing evolution in this area for ESPS units. During the development and implementation of the SDP solution, it was stated that success of the Follow-PN approach and more efficient dispatch of ESPS units would be monitored and reported on more closely, and it seems like this would be an appropriate workstream for that to take place. Although covered in broad terms, we would therefore like to suggest the inclusion of some more detailed assessment of this technology type, with some analysis and views provided on the following areas: Extent to which 'Follow PN' was actively met, reasons where this was not the case, and how this impacted cost of divergence from PNs The extent to which scheduling was consistent with reserve capability curves data, state of charge and real time availability, in line with the principles as stated in the BMPS, including where units were dispatched by the TSO outside of the Operational Max/Min MWh limits now submitted within COD data	Offer Data, and the application of Merit Orders, are already included within the scope of Pillars 3 (Dispatch Instructions) and 4 (Merit Orders). As part of this detailed examination, the auditor reviews instances where units have not operated in line with submitted Physical Notifications and assess whether the relevant processes, inputs and operational decisions were consistent with the applicable Scheduling and Dispatch frameworks, procedures and license obligations. The System Operators therefore consider that the concerns raised are already examined under the existing audit scope.

3. Scope of the 2026 and 2027 Audits

The audit of the Scheduling and Dispatch process is separate to the Single Electricity Market ('SEM') Trading & Settlement Code Market Audit and the SEM Capacity Market Code Market Audit. The obligations for those audits are set out in the Trading and Settlement Code and the Capacity Market Code. The TSOs intend that the scope of those audits remain separate to the audit of the Scheduling and Dispatch process.

The TSOs propose that the scope of the Scheduling and Dispatch process audit will consist of an assessment in respect of our compliance with regulatory requirements as they relate to specified elements of the scheduling and dispatch process for the periods 01 January 2026 to 31 December 2026 and 01 January 2027 to 31 December 2027.

The engagement will be a Reasonable Assurance engagement in line with the International Standard on Assurance Engagements 3000 (Revised), - Assurance engagements other than audits or reviews of historical financial information' issued by the International Auditing and Assurance Standards Board.

The Auditor will assess the risk of material non-compliance in relation to the licenses and codes which are within the scope of the Assurance Report(s). In areas where they identify specific risks, or where weaknesses are identified in the operation of specific internal controls, further substantive tests will be executed. The Auditor will present this assessment of applicable risks and responses in the 2026 Audit and 2027 Audit Assurance Reports.

It is the responsibility of the Auditor, to assess, on a sample basis, the compliance of the TSOs with The Requirements in respect of the specified elements of the scheduling and dispatch process as noted below.

Matters which will be considered within the scope of the Assurance Report(s)

The Requirements outlined below as they relate to specified elements of the scheduling and dispatch process are included within the scope for the 2026 Audit and subsequent 2027 Audit.

#	In Scope Items	Criteria EirGrid[1]	Criteria SONI[2]
1	Priority Dispatch	EirGrid TSO License Condition 10A – Para. 4(a)/(b) & 5(f), (i) The areas included, but not limited to: Resource balancing table Curtailment Events Constraint Events Wind logs Other requirements: SEM-11-062 Principles of Dispatch and the Design of the Market Schedule in the Trading and Settlement Code SEM Committee Decision Paper For reference on how Priority Dispatch is implemented within Schedule and Dispatch, see BMPS Section 3.1, 4.4.4 and 4.5.2, and Appendix 1.3.	SONI TSO License Condition 22A – Para. 4(a)/(b) & 5(f), (i) Condition 9A The areas included, but not limited to: Resource balancing table Curtailment Events Constraint Events Wind logs Other requirements: SEM-11-062 Principles of Dispatch and the Design of the Market Schedule in the Trading and Settlement Code SEM Committee Decision Paper For reference on how Priority Dispatch is implemented within Schedule and Dispatch, see BMPS Section 3.1, 4.4.4 and 4.5.2, and Appendix 1.3. [NL31]
2	Cross Zonal Actions	The criteria and principles for the Cross Zonal Action process are outlined in Articles 3:15 and 3:16 of the Interim Cross Zonal TSO Arrangements for GB-ISEM go live, suitable for an ISAE 3000 engagement. The methodology and process defined in the Day-Ahead Interconnector Net Transfer Capacity (NTC) Procedure used to determine NTC values for interconnectors. Any other relevant document, system, or procedure that supports the application of Cross Zonal Actions and informs System Operator decision-making, where such application has a direct impact on system security during the Scheduling and Dispatch timeframe. SEM-24-025 Compensation Arrangements for Net Transfer Capacity Reductions Section 6 For reference on how Prices and Volumes for Cross Zonal Action are implemented within Schedule and Dispatch, see BMPS Section 3.3 and 3.4.6	The criteria and principles for the Cross Zonal Action process are outlined in Articles 3:15 and 3:16 of the Interim Cross Zonal TSO Arrangements for GB-ISEM go live, suitable for an ISAE 3000 engagement. The methodology and process defined in the Day-Ahead Interconnector Net Transfer Capacity (NTC) Procedure used to determine NTC values for interconnectors. Any other relevant document, system, or procedure that supports the application of Cross Zonal Actions and informs System Operator decision-making, where such application has a direct impact on system security during the Scheduling and Dispatch timeframe. SEM-24-025 Compensation Arrangements for Net Transfer Capacity Reductions Section 6 For reference on how Prices and Volumes for Cross Zonal Action are implemented within Schedule and Dispatch, see BMPS Section 3.3 and 3.4.6

[1] Links to current versions of licenses and codes provided for clarity. If any new versions to these specific licenses and codes are published after the date of this consultation, the cited paragraphs in each of the licenses and codes will remain in scope provided that there are no material changes to the substance of the paragraph. In the case of material changes to the substance of the paragraphs, the scope will need to be reconsidered by the TSO. The final scope of licenses and codes for 2026 and 2027 Audits will be published in the respective Assurance Reports.

3	Dispatch Instructions	EirGrid TSO License Condition 10A – Para. 2, 4 and 5 The areas included, but not limited to: Frequency (Condition 10A Para 2, EirGrid Grid Code CC. 8.2.1) Physical Notifications (Condition 10A Para 2(a)(i), 4 and 5(b)) Generators declaring unavailable (Condition 10A Para 2(a)(ii)) Generation units not subject to central dispatch (Condition 10A Para 2(a)(iv)) Transmission System Outage (Condition 10A Para 2(b)) Daily forecast demand (Condition 10A Para 4 and 5(a)) Scheduling and Dispatch Policy Parameters (Condition 10A Para 4 and 5(c)) Generators Technical Offer data (Condition 10A Para 4 and 5(e)) Interconnector Reference Programs ("ICRPs") (Condition 10A Para 4 and 5(f)) Other requirements: For 2026 Audit Period: SEM-25-059 Trading and Settlement Code Scheduling & Dispatch Parameters 2026 Decision Paper 2027 Scheduling and Dispatch Parameters consultation has not yet taken place. EirGrid Grid Code CC. 8.2.1 For reference on how Dispatch Instructions are implemented within Schedule and Dispatch, see BMPS Section 4.4 including Section 4.4.5 regarding Battery Energy Storage Power Station (ESPS) Units	SONI TSO License Condition 22A – Para. 2, 4 and 5 The areas included, but not limited to: Frequency (Condition 22A Para 2, SONI Grid Code CC. 5.3.1) Physical Notifications (Condition 22A Para 2(a)(i), 4 and 5(b)) Generators declaring unavailable (Condition 22A Para 2(a)(ii)) Generation units not subject to central dispatch (Condition 22A Para 2(a)(iv)) Transmission System Outage (Condition 10A Para 2(b)) Daily forecast demand (Condition 10A Para 4 and 5(a)) Scheduling and Dispatch Policy Parameters (Condition 22A Para 4 and 5(c)) Generators Technical Offer data (Condition 22A Para 4 and 5(e)) Interconnector Reference Programs ("ICRPs") (Condition 22A Para 4 and 5(f)) Other requirements: For 2026 Audit Period:SEM-25-059 Trading and Settlement Code Scheduling & Dispatch Parameters 2026 Decision Paper 2027 Scheduling and Dispatch Parameters consultation has not yet taken place. SONI Grid Code CC 5.3.1 For reference on how Dispatch Instructions are implemented within Schedule and Dispatch, see BMPS Section 4.4 including Section 4.4.5 regarding Battery Energy Storage Power Station (ESPS) Units
4	Merit Orders	EirGrid TSO License Condition 10A – Para. 3 The areas included, but not limited to: Online Merit Orders Offline Merit Orders Other requirements: EirGrid Grid Code SDC 1.4.7.3 / SDC1.4.7.4 and SDC2.4.2.14	SONI TSO License Condition 22A – Para. 3 The areas included, but not limited to: Online Merit Orders Offline Merit Orders Other requirements: SONI Grid Code SDC 1.4.8.3 / SDC1.4.8.4 and SDC2.4.2.14

		For reference on how Merit Order is implemented within Schedule and Dispatch, see BMPS Section 2.3 and also Section 4.4.5 regarding Battery Energy Storage Power Station (ESPS) Units	For reference on how Merit Order is implemented within Schedule and Dispatch, see BMPS Section 2.3 and also Section 4.4.5 regarding Battery Energy Storage Power Station (ESPS) Units
5	Operational Constraints	EirGrid TSO License Condition 10A – Para. 4(a)(b) & 5(d) The areas included, but not limited to: System reserves Inertia Operating limits Tie Line Values For reference on how Operational Constraints are implemented within Schedule and Dispatch, see BMPS Section 3.4.3 and 4.5.1	SONI TSO License Condition 22A – Para. 4(a)(b) & 5(d) The areas included, but not limited to: System reserves Inertia Operating limits Tie Line Values For reference on how Operational Constraints are implemented within Schedule and Dispatch, see BMPS Section 3.4.3 and 4.5.1
6	Constraint Flagging	Trading and Settlement Code Flagging of Accepted Bids and Offers E.3.3.1 Trading and Settlement Code Part B Appendices, APPENDIX N: Flagging and Tagging, System Operator and Non-Marginal Flagging Paragraph 1-5 The areas included, but not limited to: System Operator flags (Methodology for Determining System Operator and Non-Marginal Flags (2.1,2.2) Non-Marginal flags (Methodology for Determining System Operator and Non-Marginal Flags (2.3)) Methodology reference: Methodology for determining system operators and non-marginal flags.	Trading and Settlement Code Flagging of Accepted Bids and Offers E.3.3.1 Trading and Settlement Code Part B Appendices, APPENDIX N: Flagging and Tagging, System Operator and Non-Marginal Flagging Paragraph 1-5 The areas included, but not limited to: System Operator flags (Methodology for Determining System Operator and Non-Marginal Flags (2.1,2.2) Non-Marginal flags (Methodology for Determining System Operator and Non-Marginal Flags (2.3)) Methodology reference: Methodology for determining system operators and non-marginal flags.
7	IT General Controls required to support the areas noted in items 1-6 above	While the criteria identified in items 1–6 above do not contain explicit requirements in relation to IT General Controls, the TSOs rely on key IT systems and associated controls in the operation of the Scheduling and Dispatch process and in supporting compliance with the applicable criteria. The Auditor's assessment will therefore include relevant IT General Controls over the in-scope systems supporting the areas identified in items 1–6 above. The areas included, but not limited to: User access management, including user provisioning, modification and termination, authentication and password controls, privileged access management, user roles and permissions, and periodic user access reviews; Change and release management, including the authorisation, testing, approval and implementation of changes, releases and upgrades to in-scope systems;	

		Job scheduling and monitoring, including access to job-scheduling functionality, operation of scheduled jobs and monitoring and resolution of job failures; Backup and recovery controls, including the scheduling and operation of backups; and Supporting infrastructure controls, including relevant operating system and database controls supporting the in-scope applications. The in-scope systems for IT General Controls testing are the Market Management System ("MMS"), Electronic Dispatch Instruction Logger ("EDIL"), Wind Dispatch Tool ("WDT") and Interconnector Management Platform ("ICMP"), together with relevant supporting infrastructure.

4. Scope Exclusions

The following are specifically excluded from the scope

- The algorithms associated with the optimization engines, which produce the Long-Term Scheduling ("LTS"), Real Time Commitment ("RTC") and Real-Time Dispatch ("RTD") schedules, are used in the Scheduling and Dispatch process.
- The Imbalance Pricing process, which takes place after the Scheduling and Dispatch process, has ended.
- Validation of data submitted to the TSOs by participants.
- Inputs such as forecasts which are provided by third parties.
- Inputs such as transmission and generator outage plans.
- The derivation of operational constraints.
- Actions taken with participants by the TSOs to resolve performance issues during the Scheduling and Dispatch process.
- An assessment of the compliance of the TSOs in relation to any regulations other than those specifically referenced in the table above.
- Any requirements, obligations or documents that are cross-referenced within the audit criteria but are not themselves specifically identified as audit criteria in the table above.
- Validation that data published in relation to the specified elements of the scheduling and dispatch process on the EirGrid (https://www.eirgrid.ie/), SONI (https://www.soni.ltd.uk/), and SEMO (https://www.sem-o.com/) websites are complete and accurate unless specifically included in testing procedures, for example, Operational Constraints Updates.
- The Regulation of Wholesale Energy Markets Integrity and Transparency (REMIT): REMIT compliance is addressed through a dedicated workstream with separate governance and reporting arrangements. Accordingly, REMIT is outside the scope of this ToR and will be managed through the established REMIT workstream. An assessment of the real-time operating decisions that the TSOs make when actioning internal operating procedures relevant to the specified elements of the scheduling and dispatch process.
- Validation that system security has been maintained at all times.
- Any actions associated with Interim Cross Zonal TSO Arrangements for GB-ISEM go-live (ICZA) that are not System Operator actions or are long term System Operator actions that take place ahead of Scheduling and Dispatch outside of the Scheduling and Dispatch timeframe, such as long-term capacity calculations and capacity auctions.

5. Reporting Requirements

The outcome of the 2026 audit and the 2027 audit, which will be undertaken by an independent external Auditor, will be an Assurance Report(s) for each audit period covering the full calendar year of January to December, which includes an opinion over the TSOs compliance with specific regulatory requirements as they relate to specified elements of the scheduling and dispatch process for the audit periods.

The Assurance Report(s) will consist of an opinion which refers to an Approach Document which may include detailed information on the terms of the engagement, the applicable criteria that were used, findings identified in relation to particular aspects of the engagement, details of qualifications identified, details of the experience of the practitioner and the individuals involved in the engagement, disclosure of materiality levels, and any recommendations of note.

The intention is that the Audit Assurance Report(s) and Approach Document will be issued to the Regulatory Authorities within six months of the end of each audit period. However, the lead time will be dependent on the extent of changes in the scope / activities caused by changes to the in-scope of licenses and codes and the publication date of these terms of reference. Furthermore, the audit report for the years 2026 and 2027 will subsequently be published by the TSOs in 2027 and 2028 respectively. The TSOs will inform the Regulatory Authorities in a timely manner should a resultant delay be expected.