

Single Electricity Market

Treatment of Price Taking Generation in Tie-Breaks in Dispatch in the Single Electricity Market and Associated Issues

Clarification Note

12 October 2011

SEM-11-086

Background

On 26 August the SEM Committee published a consultation paper (SEM-11-063) regarding the treatment of price taking generation in tie breaks in dispatch in the Single Electricity Market (SEM) and Associated Issues. The paper was published in the context of the parallel publication of a decision paper regarding principles of dispatch and the design of the Market Schedule in the Trading and Settlement Code (SEM-11-062).

Clarifications

Subsequent to the publication of SEM-11-063 a number clarifications on the matter were requested by stakeholders. These queries are outlined below and addressed by the RAs, with input provided by the Transmission System Operators (TSOs):

- Is it possible for the TSOs to separate constraints from curtailment in real-time;
- The definition of constraint groups in both jurisdictions;
- Treatment of North-South interconnection with regard to constraints and curtailment; and
- Firm Access Quantities information for Northern Ireland.

1. Separation of constraints and curtailment in real-time

The SEM Committee have requested the TSOs to explore methodologies that could afford a degree of access arrangements be provided for in-priority dispatch tie-break scenarios. It is clear that this request raises challenging implementation issues with the increasing volume of wind on the system and the associated need for additional network infrastructure. The TSOs have stated that it is not always possible, where there is significant interaction between multiple network constraints and curtailments, to determine definitely and unambiguously what and how much generation is associated with resolving specific constraint and curtailment issues. It is acknowledged that real-time dispatch requires very quick decision making on the part of the TSOs with an (increasing) number of variables and principles to consider.

The TSOs' position remains that it is not possible, in all cases, to unambiguously identify constraints from curtailment, particularly when there is a high level of interaction between the two. Thus the tie break proposal provided by the TSOs and currently being consulted on in SEM-11-063 seeks to reflect access arrangements in physical dispatch. However, it is only an approximation of the original intended access principles.

2. The definition of Constraint groups in both jurisdictions

Significant analysis is needed to define the exact detail of the constraint groups. It is not until this analysis is completed that the TSOs can provide a definitive recommendation for each constraint group. Regarding those listed in SEM-11-063, these were proposed by the TSOs at the time of consultation, based on the best information available to them. These will change over time given development of the network and project delivery and the interaction between the two. Changes to the detail of the constraint groups, made by the TSOs, will be communicated in advance to industry.

The TSOs have advised that it is only practically possible to manage three constraint groups in total in real time dispatch. Given that this approach is a practical measure to implement a policy the TSOs consider it likely over time that these constraint groups may need to change to give best effect to the intended principles.

3. Treatment of North-South interconnection with regard to constraints and curtailment

The North-South tie-line is part of the all-island network and is such is treated the same as any other transmission line for the purposes of constraints.

The proposals in SEM-11-063 are based on the assumption that where there is excess wind generation in either Ireland or Northern Ireland (but not both), and where this must be reduced to maintain the inter-jurisdictional flow (over the North-South tie-line) within secure limits, this would be treated as a constraint. Where there is excess wind in both jurisdictions simultaneously, this would be treated as a curtailment. However, it should also be noted that the secure limits for the North-South tie-line depend on a number of factors, including consideration of the reserve flows that can arise due to the reserve sharing arrangements between control areas.

In addition, if there was no constraint group with respect to this issue the dispatch order would be in the manner so best to address the security issue on the system.

4. Firm Access Quantities information for Northern Ireland

SONI has recently forwarded a draft consultation paper to NIAUR regarding the allocation of FAQ values in Northern Ireland. This paper will contain indicative information on the Firm Access Quantities for connecting Generators that are currently known in Northern Ireland, as well as indicative levels of Generator output reductions at each node for 2012 and 2016. The paper will outline revised procedures for SONI and NIE to deal with Generator connections to both the transmission and distribution systems. It will also outline SONI's thinking and approach to the calculation of constraint reports. A full consultation will be held on the proposals outlined in this paper.

It is the SEM Committee's view that the matters to be consulted on in that paper do not require an extension or delay to the matters under consideration in SEM-11-063. It was known in advance of the publication of SEM-11-063 that the issue of allocation of FAQ in Northern Ireland needed to be clarified. SEM-11-063 deals with dispatch principles which need to be put in place.

Consultation responses

Any further queries should be sent to Paul Brandon (pbrandon@cer.ie) at the Commission for Energy Regulation. Responses to SEM-11-063 are due by close of business (5pm) on Friday 14 October 2011.