

Proposed Uninstructed Imbalance Parameters For Calendar Year 2020



This Uninstructed Imbalance Parameter Proposal, for calendar year 2020, is being submitted by EirGrid and SONI, in their roles as the Transmission System Operators (TSOs) for Ireland and Northern Ireland, to the Commission for Regulation of Utilities (CRU) & the Utility Regulator for Northern Ireland (UR), collectively known as the Regulatory Authorities (RAs).

In accordance with Trading and Settlement Code F.9.1.2:

F.9.1.2 If requested by the Regulatory Authorities, the System Operators shall report to the Regulatory Authorities at least four months before the start of the Year, proposing values for the following parameters to be used in the calculation of Uninstructed Imbalances for that Year:

- (a) The Engineering Tolerance (TOLENG) (where $0 \leq \text{TOLENG} \leq 1$);*
- (b) The MW Tolerance (TOLMWt) (where $0 \leq \text{TOLMWt}$) for each Trading Day, t;*
- (c) The System per Unit Regulation Factor (FUREG);*
- (d) The Discount for Over Generation Factor (FDOG_u) for each Generator Unit, u, in each Imbalance Settlement Period, γ , such that $0 \leq \text{FDOG}_{u\gamma} \leq 1$; and*
- (e) The Premium for Under Generation Factor (FPUG_u) for each Generator Unit, u, in each Imbalance Settlement Period, γ , such that $0 \leq \text{FPUG}_{u\gamma} \leq 1$.*

Uninstructed Imbalances apply in the Single Electricity Market (SEM) when the Actual Output of a Generator Unit deviates from its Dispatch Quantity in a Trading Period. It is the TSOs' opinion, based on operational experience since the start of SEM in November 2007, and the revised SEM arrangements in October 2018, that the Uninstructed Imbalance parameters are providing adequate economic signals at present and that no change is warranted to these parameter values for the calendar year 2020. The proposed values for the parameters used in the calculation of Uninstructed Imbalances for the calendar year 2020 are set out in the table below:

Parameter	SEM Variable/Term	Proposed Value
Engineering Tolerance, TOLENG	TOLENG	0.01
MW Tolerance for each Trading Day, t, TOLMWt	TOLMW	1
System per Unit Regulation Factor, FUREG	FUREG	0.04
Discount for Over Generation Factor for each Generator Unit, u, except for Interconnector Error Units, FDOG _u	FDOG	0.2
Discount for Over Generation Factor for each Interconnector Error Unit, u, FDOG _u	FDOG	0
Premium for Under Generation Factor for each Generator Unit, u, except for Interconnector Error Units, FPUG _u	FPUG	0.2
Premium for Under Generation Factor for each Interconnector Error Unit, u, FPUG _u	FPUG	0

The SEM committee decided in SEM-17-034:

<https://www.semcommittee.com/sites/semcommittee.com/files/media-files/SEM-17-034%20Tranche%201%20Parameters%20Decision.pdf>, that the values in the table above would be apply from Go-Live of the revised SEM arrangements until 31 December 2019. The TSOs remain in agreement with these values for calendar Year 2020.

The TSOs note the reference in the decision paper that “A consultation will be carried out in May 2019 to determine the values to apply from January 2020, based on a year’s data being available”. However we do not yet have a full year of data from the revised SEM arrangements. It would seem prudent that any such review would not take place until we have at least one full year of data from the revised SEM arrangements.