



**Single Electricity Market
(SEM)**

Trading and Settlement Code

**SEM Scheduling and Dispatch Parameters
2021**

**SEM-20-066
17 September 2020**

Table of Contents

1. Introduction.....	3
2. Scheduling and Dispatch Parameters	4
3. Next Steps.....	5

1. Introduction

Under section 10A of EirGrid's Transmission System Operator (TSO) Licence, and section 22A of SONI's Transmission System Operator Licence, the System Operator (SO) is required to report to the Regulatory Authorities (RAs) proposing values for parameters to be applied in the Scheduling and Dispatch process.

In May 2020 the RAs requested the MO to review the following parameters utilised in Scheduling and Dispatch:

1. Long Notice Adjustment Factor (LNAF)
2. System Imbalance Flattening Factor (SIFF)

On 21st August 2020, the RAs received reports from the MO outlining their recommendations for the proposed values for the above parameters. The purpose of this consultation paper is to invite comments on the MO proposals as summarised in this paper and detailed within the MO reports which accompany this paper.

Comments should be sent, preferably in electronic form, to:

Sheena Byrne
Commission for Regulation of Utilities
The Exchange
Belgard Square North
Tallaght
Dublin 24
shbyrne@cru.ie

All comments received will be provided to SEMO or the TSOs as appropriate and may be published unless the respondent clearly indicates that the relevant comment is confidential.

All comments should be received by close of business on 16th October 2020. A final decision on the parameters consulted upon in this paper is due to be published in November.

2. Scheduling and Dispatch Parameters

Under section 10A of EirGrid’s Transmission System Operator (TSO) Licence, and section 22A of SONI’s Transmission System Operator Licence, the System Operator (SO) is required to report to the Regulatory Authorities (RAs), proposing values for parameters to be applied in the Scheduling and Dispatch process. The accompanying paper sets out the methodologies to be used by the TSOs to calculate the following parameters considered under those Licence Conditions, along with a review of their values if requested by the RAs.

The parameters covered in this report are:

- Long Notice Adjustment Factor (LNAF); and
- System Imbalance Flattening Factor (SIFF).

These parameters give effect to the objectives of Scheduling and Dispatch from the market design decisions, in particular, balancing the trade-off of ‘early’ energy-balancing actions against the cost of non-energy actions. The LNAF applies a weighting to the costs of offline generators to reduce the likelihood of the scheduling tools recommending early commitment actions in the scheduling process. Specifically, the LNAF applies to a unit’s start-up costs (or, in the case of a Demand Side Unit, to shut down costs) in the scheduling process. The application of this parameter will tend to reduce the likelihood of early unit commitment decisions over greater use of shorter-notice units.

The accompanying paper from the TSOs (SEM-20-066a) sets out the methodology for calculating the LNAF and SIFF, and their application in the scheduling tool. The TSO’s analysis considers the traded volumes in the Day Ahead and Intraday markets. Having considered the levels of liquidity and price convergence across the two markets, and the ratio of energy volumes to non-energy volumes, the TSOs recommendation is that the LNAF and SFF values remain unchanged. This is summarised in the table below.

Parameter	Approved Value for 2020	Proposed Value for 2021
Long Notice Adjustment Factor	0	0
System Imbalance Flattening Factor	0	0

3. Next Steps

All comments should be received by the close of business on 16th October 2020. A final decision on the operational parameters consulted on in this paper is due to be published in November 2020.