Approved 2018/2019 Transmission Loss Adjustment Factors (TLAFs) Accompanying Note Version 1.0

30th August 2018



Background

This explanatory paper has been prepared by the Transmission System Operators (TSOs) to accompany the Approved Transmission Loss Adjustment Factors (TLAFs) which have been calculated by the TSOs, based on the approved TLAF methodology (SEM-12-049), for 2018/19 (1st October 2018 to 30th September 2019). A separate accompanying paper "I-SEM Interconnector Losses, Information Paper" was published 2nd June 2017 that summarises the treatment of TLAFs for interconnectors for I-SEM.

TLAF Analysis - Overview

The overall TLAF trends are stable. Following a comparison between the Approved 2017/18 TLAFs and 2018/19 TLAFs, it was found that 95.1% of the TLAF's calculated are within 1% of the previous year's TLAF's and over 99.8% are within 2%. The maximum average TLAF change is 1.15%, with the maximum single TLAF change being 3.19%. The overall average TLAF has increased (improved) slightly by 0.02% from 2017/18.

The normal distribution in Figure 1 and the frequency distribution in Figure 2 below both emphasise that the overall trends are stable.

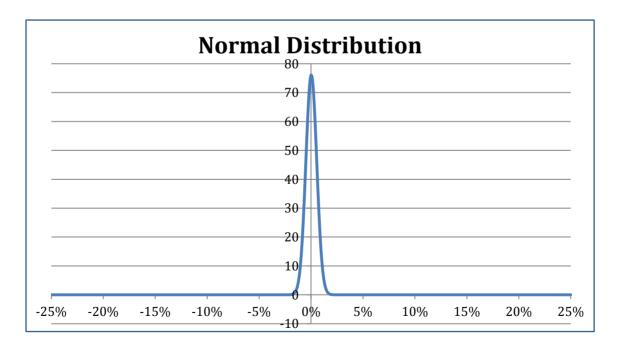


Figure 1 - Normal Distribution of changes in TLAFs from 2017/18 to 2018/19

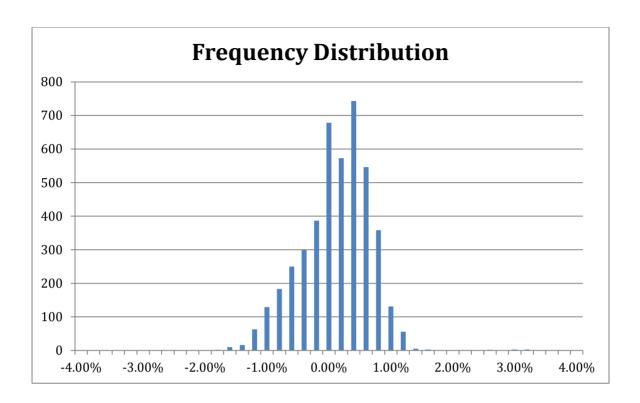


Figure 2 – Frequency Distribution of changes in TLAFs from 2017/18 to 2018/19

TLAF Analysis - Regional

Further information has been included this year to provide regional analysis at a high level.

There is a reasonable link between regional dispatch change and the TLAF trend in that region. It should be noted that whilst changes in dispatch between years will change base case flows; this does not indicate how a participant's generation will add to or offset flows on an all-island basis. Instead, it may provide an indicator for possible expected regional changes.

Figure 3 shows an all-island overview of the TLAFs for 2018/19, indicating the locational range. Green signifies nodes with high TLAFs and moving to red signifies nodes with lower TLAFs.

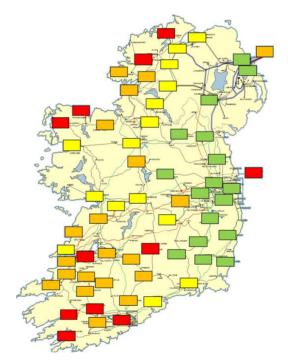


Figure 3 - Detailed breakdown of 2018/19 TLAFs

Year on year, TLAFs vary by relatively small amounts for participants, and the general theme, as shown in Figure 3, is reasonably typical of the last few years.

The change in TLAFs from 2017/18 to 2018/19 is shown in Figure 4. Green signifies nodes where TLAFs have improved from 2017/18. Yellow, orange and red signify nodes where TLAFs have dis-improved, from low to higher amounts respectively.

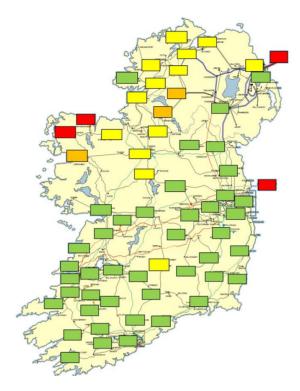


Figure 4 - Detailed breakdown of TLAF changes from 2017/18 to 2018/19

Figure 5 shows the total regional MW dispatch change. Due to commercial sensitivity reasons, data is shown at a regional level, and aggregated from all generation types, (thermal, wind, solar, etc.).

As previously stated, although regional changes from one year to the next can be generalised using Figures 4 and 5, they should not be used as a single determinant for TLAF changes. Participant's TLAFs are a result of how generation at their node will offset or add to all-island base case flows and therefore losses. The dispatch therefore sets up the base case flows, but the resultant TLAFs for a single participant are a composite of all-island changes in flows.

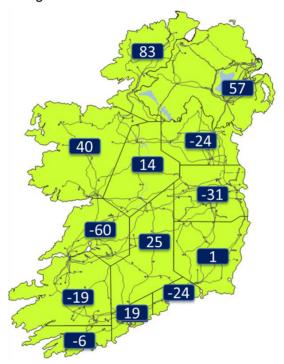


Figure 5 - Total regional MW dispatch change from 2017/18 to 2018/19

Contact

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