

The Grain House The Exchange Belgard Square North Tallaght, Dublin 24 D24 PXW0 T +353 1 4000 800 F +353 1 4000 850 E info@cru.ie

Mr Fintan Slye EirGrid plc The Oval Shelbourne Road Dublin 4

CRU Ref: D/17/18520

12 October 2017

Dear Fintan,

RE: Approval of Balancing Market Principles Statement – EirGrid plc TSO Licence Condition 10B

EirGrid plc's Transmission Licence has undergone statutory consultations on modifications, with subsequent decisions (July 2016 and March 2017) to give effect to decisions of the SEM Committee relating to the revised SEM arrangements.

On 27 July 2017, the Commission directed that the provisions of Condition 10B (Balancing Market Principles Statement) should come into effect.

Paragraph 1 of Condition 10B requires EirGrid plc, when directed to do so, and in conjunction with the Northern Ireland System Operator, to prepare a Balancing Market Principles Statement ("BMPS"), being a document which i) describes the Licensee's scheduling and dispatch process within the Balancing Market; and ii) sets out the Licensee's reporting regime for occasions when it has acted in exception to the processes and procedures set out in the statement.

On 2 August 2017, the Commission directed EirGrid plc to prepare a Balancing Market Principles Statement. On 8 September 2017, EirGrid plc submitted the Balancing Market Principles Statement to the Commission. The Commission notes that the BMPS has been developed over a number of months and has been consulted on with stakeholders.

Paragraph 2 of Condition 10B requires the Balancing Market Principles Statement to be in a form approved by the Commission and shall be based upon and fully comply with the BMPS Terms of Reference.

Having consulted with the Northern Irish Authority for Utility Regulation, the Commission hereby provides such approval.





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The Commission notes that Paragraph 2 of the relevant licence condition requires the BMPS to be published on your website once approved. The Commission requests that this is given effect to as soon as possible.

Yours sincerely,

Paul McGowan Chairperson

Commission for Regulation of Utilities