

# DRAFT TUoS Statement of Charges

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Applicable from 1st October 2016



This Statement has been approved by the Northern Ireland Authority for Utility Regulation

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## CONTACT DETAILS

Information on Transmission Use of System charges can be obtained from the following:

SONI  
Contracts and Settlement Department  
Castlereagh House  
12 Manse Road  
BELFAST  
BT6 9RT

Telephone: 028 90794336

Email: [cas@soni.ltd.uk](mailto:cas@soni.ltd.uk)

This Charging Statement is obtainable from the SONI website ([www.soni.ltd.uk](http://www.soni.ltd.uk)).

## DEFINITIONS

In this Charging Statement unless the context requires otherwise, the following terms shall have the following meanings:

**All Island Transmission Networks:** as defined in the License.

**Business Day:** means any day (excluding Saturdays and Sundays) on which banks are open for domestic business in Belfast.

**Connection Agreement:** means the agreement for connection to the NI System dated 1 April 1992 between SONI and the Generator (as amended, restated and novated from time to time).

**Generator:** means a power plant or any similar apparatus that generates electricity (including all related equipment essential to its functioning as a single entity) with capabilities for delivering energy to the Transmission System or Distribution System and which is connected to the Transmission System or Distribution System.

**Grid Code:** means the Grid Code prepared pursuant to the Licence, as from time to time revised in accordance with the Licence

**KWh:** means Kilowatt hour

**Maximum Export Capacity (MEC):** means the maximum export capacity of a site in MW as defined under the site's Connection Agreement or equivalent.

**Maximum Contracted Capacity:** Maximum Import Capacity or Maximum Export Capacity as appropriate which is set out in the relevant Connection Agreement or Transmission Use of System Agreement.

**Moyle Interconnector:** means the electrical interconnector between Northern Ireland and Scotland which is owned by Moyle and which comprises the converter stations at Ballycronan More, Co. Antrim, Northern Ireland and Auchencrosh, Ayrshire, Scotland and the undersea and underground electric lines which interconnect such converter stations, together with its connections to the NIE System and the GB System.

**MWh:** means Megawatt hour

**NIAUR:** means the Northern Ireland Authority for Utility Regulation.

**NIE:** means Northern Ireland Electricity Ltd whose registered office is at 120 Malone Road, Belfast, BT9 5HT.

**PPB:** NIE's Power Procurement Business

**Regulatory Authorities:** means the NIAUR in Northern Ireland and the Commission for Energy Regulation in the Republic and the term "Regulatory Authority" shall be construed accordingly to mean any one of them as the context admits or requires.

**System Operator:** means, in respect of Northern Ireland, the holder of a licence to participate in transmission granted under Article 10(1)(b) of the Electricity (Northern Ireland) Order 1992 as may be amended or replaced from time to time, and which requires the licensee to co-ordinate, and direct, the flow of electricity onto and over the Northern Ireland Transmission System;

**SONI:** System Operator in Northern Ireland

**SEM:** means the wholesale all island Single Electricity Market

**Supplier:** means a Participant licensed to supply electricity under section 10 of the Electricity (Northern Ireland) Order 1992.

**System Operator Licence:** means the licence to participate in the transmission of electricity granted to SONI under the Electricity (Northern Ireland) Order 1992.

**TUoS:** Transmission Use of System

**Transmission Use of System Agreement:** means an agreement between SONI and any person pursuant to which SONI grants rights to use the all island transmission networks.

**Transmission System:** means, in respect of Northern Ireland, the system of electric lines owned by the Transmission Asset Owner and comprising high voltage lines and electrical plant and meters used for conveying electricity from a generating station to a substation, from one generating station to another, and from one substation to another within the Transmission Asset Owner's authorised transmission area and any other and any other electric lines which the NIAUR may specify as forming part of the Transmission System, but shall not include any such lines specified as being part of the Distribution System and shall not include any Interconnector.

## INTRODUCTION

The All Island Market for electricity brought together the two wholesale markets on the island, creating a Single Electricity Market (SEM) for the wholesale trading of electricity in both Northern Ireland and the Republic of Ireland. The SEM comprises a gross mandatory pool. The terms of participation in the SEM are set out in the Trading and Settlement Code.<sup>1</sup>

This Charging Statement describes the charges for use of the All-Island Transmission Networks in respect of generation and supply in Northern Ireland and also sets out Other System Charges in respect of centrally dispatched generators in Northern Ireland.

The Other System Charges Methodology Statement and the Ancillary Services Statement of Payments & Charges are published as separate documents.

This Charging Statement has been prepared by SONI in accordance with Condition 30 of the System Operator Licence and has been approved by the Northern Ireland Authority for Utility Regulation (NIAUR). Words and expressions used in this Charging Statement shall have the definitions given to them in the Electricity (Northern Ireland) Order 1992 the Energy (Northern Ireland) Order 2003, Electricity (Single Wholesale Market) (Northern Ireland) Order 2007, the Electricity Regulations (Northern Ireland) 2007 or the SONI System Operator Licence, unless defined otherwise.

This document contains:

- (i) Transmission Use of System Charges for Suppliers as outlined in Section A;
- (ii) Transmission Use of System Charges for Generators as outlined in Schedule B;
- (iii) System Support Services Charge for Suppliers as outlined in Appendix 1. These System Support Services Charges do not form part of the Transmission Use of System revenue entitlement;
- (iv) Other System Charges as outlined in Appendix 2. These charges do not form part of the Transmission Use of System revenue entitlement.

Persons seeking to use the Transmission System will be required, prior to using the Transmission System, to enter into a Transmission Use of System Agreement with SONI setting out the obligations of both parties. The Transmission Use of System Agreements and/or Connection Agreements for Suppliers, Generators and customers will require the connected party to comply with the provisions of the NI Grid Code, obtainable from the

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<sup>1</sup> *Trading and Settlement Code is available on the SEMO website [www.sem-o.com](http://www.sem-o.com)*

SONI website<sup>2</sup>. SONI will offer terms for transmission use of system as soon as practicable after receipt of an application and in any case not later than 28 days after receipt of all relevant information. The Transmission Use of System Agreement will take precedence in the event of any inconsistency with this Charging Statement.

A party seeking use of the Transmission System will be required to pay all charges due as described in this Charging Statement and the accompanying schedules and appendices. Charges and costs shown are current at the time of publication but are subject to change without notice following revision of the Charging Statement and its approval by NIAUR. In special circumstances with the approval of NIAUR, SONI and a user may agree changes separately.

Where an authorised electricity operator, having entered into a Transmission Use of System Agreement, ceases for whatever reason to be an authorised electricity operator with respect to that use of the Transmission System, the entitlement to use of the Transmission System will cease forthwith in accordance with the terms of the Transmission Use of System Agreement, except that the authorised electricity operator shall continue to pay to SONI all capacity related Transmission Use of System charges payable under that agreement during the effective period of this Charging Statement.

Persons seeking transmission use of system or persons seeking a connection in conjunction with transmission use of system must apply to SONI in writing to the address given in page 3 of this Charging Statement.

Persons seeking transmission use of system with respect to a new supply must apply for connection in accordance with the terms and conditions described in the appropriate statement of charges for connection. The appropriate Connection Agreement with each customer or Generator will take precedence in the event of any inconsistency with this Charging Statement or the relevant statement of connection charges.

### Overview of Transmission Use of System Charges

Transmission Use of System charges are designed to recover the NIE Transmission Revenue Entitlement as approved by NIAUR. The Transmission Revenue Entitlement is calculated as a percentage of NIE's Transmission and Distribution Entitlement which includes costs such as return on assets, depreciation of assets and operating expenditure. Currently 75% of the Transmission Revenue Entitlement is recovered from Suppliers via the charges set out in Schedule A of this Charging Statement. The

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<sup>2</sup> SONI website [www.soni.ltd.uk](http://www.soni.ltd.uk)

remaining 25% of the Transmission Revenue Entitlement is recovered from Generators through the Generator export charge outlined in Schedule B of this Charging Statement.

## PRINCIPLES FOR CHARGING FOR USE OF THE TRANSMISSION SYSTEM

### Supplier Charges

1. Where a supply of electricity is provided over electric lines or electrical plant comprising a part of the Transmission System, a charge for use of the Transmission System will be levied on the Supplier. The relevant charges that are generally applicable are described in Schedule A of this Charging Statement and are payable in accordance with the tariff categories described in the schedule. These charges may be passed through to customers or Generators by the Suppliers.
2. The charges for use of the Transmission System reflect the costs of providing, operating and maintaining the Transmission System to the standards prescribed by the Transmission Asset Owner licence, other than those costs which are recovered through charges in respect of connection.
3. Charges to Suppliers for use of the Transmission System reflect power flows on the Transmission System and the need to provide adequate capacity at transmission voltage levels to ensure that transmission planning and security standards are met as defined in the Transmission Asset Owner licence
4. In accordance with Schedule A of this Statement of Charges and depending on the criteria stated, the charges for use of the Transmission System to Suppliers will include the following element:
  - A charge per kWh for each unit delivered through the Transmission System, designed to reflect costs of the Transmission System that are not recovered through the connection charge, the costs of operating, maintaining and reinforcing the Transmission System where connection charges are not applicable and associated on-costs. These charges are higher at peak times to reflect the higher demands on the Transmission System at these times.
5. Where use of the Transmission System is sought at a standard of security different to that specified in the standards contained in the Transmission Asset Owner licence parties should refer to the Connection Charging Statement as agreed between SONI and NIAUR.



## Generator TUoS Charges

1. Where a Generator is exporting (or PPB is responsible for use of system charges to the extent of the capacity and output of the generating units contracted to it) electricity over electric lines or electrical plant comprising a part of the Transmission System, a charge for use of the Transmission System will be levied. The charges applicable are described in Schedule B of this Charging Statement.
2. Where a Generator is importing electricity over electric lines or electrical plant comprising a part of the Transmission System, a charge for use of the Transmission System will be levied on the registered Supplier. The charges applicable are described in Schedule B of this Charging Statement.

## General Principles

1. Where special metering is required to be provided in association with a particular schedule of charges, or in circumstances where the terms of the supply necessitate such metering, or where such metering is provided on request by the user of the Transmission System, the excess cost will be recovered as a separate charge. Provision will be made at the metering point for customers to read meters or alternatively for customers to communicate with the meters subject to their providing any necessary communication systems and computer software/hardware at their own expense.
2. Payment of charges for use of the Transmission System will be payable in accordance with any Transmission Use of System Agreement in force or, if there is no Transmission Use of System Agreement or the Transmission Use of System Agreement does not specify payment terms, within 10 business days of the date of invoice. The invoice will provide charges summated for all meter points allocated to each TUoS category. SONI reserves the right to require appropriate security in respect of the charges estimated to arise depending on the circumstances and on the basis of the agreed payment terms.
3. Where, after evaluation of the characteristics of the requested use of the Transmission System, SONI accepts that none of the categories of charges in the attached schedules is appropriate, special arrangements will be offered.
4. In accordance with the relevant Connection Agreement and/or Transmission Use of System Agreement, in the event that the relevant Maximum Contracted Capacity is exceeded, SONI may give notice to the Supplier, customer or Generator, as appropriate, setting out details and requesting the Supplier, customer or Generator to remedy the situation within a required time. Failing this, SONI has the right under such its relevant agreements to de-energise the Supplier, customer or Generator as applicable. Where the relevant Maximum Contracted Capacity is exceeded, SONI may charge for all reasonable additional costs incurred.

## Interconnector

1. Persons who have acquired capacity (Capacity Holders) on the Moyle interconnector have an obligation to make payments for such capacity rights directly to Moyle Interconnector Limited (Moyle) in accordance with the terms of their respective Moyle Interconnector Capacity Agreements.
2. Moyle's transmission licence and the direction issued under it permit Moyle to raise its revenues from sales of capacity on the Moyle interconnector and to recover the balance of its revenue requirements from payments received from SONI under the Collection Agency Agreement into which SONI is obliged to enter under condition 37 of its licence. Under this agreement SONI is obliged to set its Transmission Use of System Charges to Suppliers each year at a level which includes Moyle's forecast of the amount which Moyle needs to receive under the Collection Agency Agreement in that year to fully cover its costs. SONI must account to Moyle for the amounts so recovered. Schedule D explains the basis on which the Collection Agency Income Requirement will be recovered via Transmission Use of System charges.

## **SCHEDULE A: CHARGES TO SUPPLIERS FOR USE OF THE NIE TRANSMISSION SYSTEM**

All charges set out in this below are exclusive of VAT and SONI will add to such charges VAT at the relevant rate applicable thereto from time to time.

## INDEX OF SUPPLIER TARIFF CATEGORIES

1. For Supply from November to February - Winter Peak
2. For Supply from November to February - Outside of Peak
3. For Supply from November to February - Evening and Weekend
4. For Supply at all other times

Tariff Category	Rate
<b>Nov – Feb Winter Peak Units (ST01)</b> For each kilowatt hour delivered between 1600 - 1900 hrs Monday to Friday inclusive.  * Excluding the Christmas period (see Schedule F for details)	1.002 p/kWh
<b>Nov – Feb Outside of Peak Weekday Units (ST02)</b> For each kilowatt hour delivered between 0800 - 2030 hrs (excluding 1600 - 1900 hrs) Monday to Friday inclusive.  * Excluding the Christmas period (see Schedule F for details)	0.935 p/kWh
<b>Nov – Feb Evening and Weekend units (ST03)</b> For each kilowatt hour delivered between 0800 hrs and 2230 hrs at weekend and for each kilowatt hour delivered between 2030 hrs and 2230 hrs on weekday evenings.  * Including weekday units from 0800 hrs to 2030 hrs during the Christmas period (see Schedule F for details)	0.767 p/kWh
<b>All other times (ST04)</b> For each kilowatt hour delivered between 1 <sup>st</sup> March to 31 <sup>st</sup> October period (inclusive) and for each kilowatt hour delivered between 2230hrs to 0800hrs during November to February period.	0.087 p/kWh

## **SCHEDULE B: CHARGES TO GENERATORS FOR USE OF THE NIE TRANSMISSION SYSTEM**

## Generator Export Capacity Charge

### Generator TUoS in the SEM

A final version of this statement will be published to include Generator TUoS rates following completion of the consultation process.

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## Generator Electricity Import Charge

Where a Generator is importing electricity over electric lines or electrical plant comprising a part of the Transmission System, a charge for use of the Transmission System will be levied on the registered Supplier. The charges set in the Table below will apply to all imports with the exception of reactive imports requested by SONI to provide network support.

Tariff Category	Rate
<b>Nov – Feb Winter Peak Units (ST01)</b> For each kilowatt hour delivered between 1600 - 1900 hrs Monday to Friday inclusive.  * Excluding the Christmas period (see Schedule F for details)	1.002 p/kWh
<b>Nov – Feb Outside of Peak Weekday Units (ST02)</b> For each kilowatt hour delivered between 0800 - 2030 hrs (excluding 1600 - 1900 hrs) Monday to Friday inclusive.  * Excluding the Christmas period (see Schedule F for details)	0.935 p/kWh
<b>Nov – Feb Evening and Weekend units (ST03)</b> For each kilowatt hour delivered between 0800 hrs and 2230 hrs at weekend and for each kilowatt hour delivered between 2030 hrs and 2230 hrs on weekday evenings.  * Including weekday units from 0800 hrs to 2030 hrs during the Christmas period (see Schedule F for details)	0.767 p/kWh
<b>All other times (ST04)</b> For each kilowatt hour delivered between 1 <sup>st</sup> March to 31 <sup>st</sup> October period (inclusive) and for each kilowatt hour delivered between 2230hrs to 0800hrs during November to February period.	0.087 p/kWh

## **SCHEDULE C: CHARGES LEVIED ON INTERCONNECTOR CAPACITY HOLDERS**



Holders of capacity on the Moyle interconnector contract directly with Moyle Interconnector Limited (Moyle). Capacity charges are governed by the relevant interconnector capacity agreement between the capacity holder and Moyle. Capacity charges are collected by Moyle and, consequently, are not included in this Charging Statement.

## **SCHEDULE D: COLLECTION AGENCY INCOME REQUIREMENT (CAIR<sub>t</sub>)**

Moyle's transmission licence and the direction issued under it permit Moyle to raise revenues from sales of capacity on the Moyle interconnector and to recover the balance of its revenue requirements from payments received from SONI under the Collection Agency Agreement into which SONI is obliged to enter under Condition 37 of the System Operator licence.

The Collection Agency Income Requirement which SONI collect from Suppliers and pay to Moyle Interconnector Limited will be apportioned across the predicted units transmitted. The amount allocated per trading point will depend upon the kWh consumption in each charging period. Amounts charged to Suppliers in respect of the Collection Agency Income Requirement will be separately identified in SONI invoices to Suppliers.

CAIRt Charge      0.153 p/kWh

## **SCHEDULE E: ENERGY METERING EQUIPMENT COSTS**

All relevant meter equipment costs are published in the retail market transactional charges document.<sup>3</sup>

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<sup>3</sup> The Retail Market Transactional Charges Document is available at <http://www.nie.co.uk/About-NIE/Regulation/Regulatory-documents>

## **SCHEDULE F: CHRISTMAS HOLIDAY PERIOD**

### Christmas Period Dates

25<sup>th</sup> December 2016 – 1<sup>st</sup> January 2017 inclusive

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## APPENDIX 1: SYSTEM SUPPORT SERVICES (SSS) CHARGE

The following table sets out the charges that will be applied for each unit sold with rates applying for the period 1<sup>st</sup> October 2016 to 30<sup>th</sup> September 2017.

System Support Services Charges do not form part of the Transmission Use of System revenue entitlement.

	<b>p/kWh sold</b>
<b>SSS Tariff</b>	0.598



## APPENDIX 2: OTHER SYSTEM CHARGES

The following tables set out the charge rates and parameters for Other System Charges from 1<sup>st</sup> October 2016. The charge rates and parameters should be considered along with the Other System Charges Methodology Statement.

Other System Charges do not form part of the Transmission Use of System revenue entitlement.

### Generator Performance Incentive Charge Rates/Parameters

#### **Half Hour Trading Period Charges**

Minimum Generation	£1.06 / MWh
Max Starts in 24 hour period	£0.90 / MWh
Minimum on Time	£0.90 / MWh
Reactive Power Leading	£0.26 / MVarh
Reactive Power Lagging	£0.26 / MVarh
Governor Droop	£0.26 / MWh
Primary Operating Reserve	£0.11 / MWh
Secondary Operating Reserve	£0.11 / MWh
Tertiary Operating Reserve 1	£0.11 / MWh
Tertiary Operating Reserve 2	£0.11 / MWh
Late Declaration Notice Time	480 min

#### **Event Based Charges**

Loading Rate	£0.53 / MWh
Loading Rate Factor 1	60 min
Loading Rate Factor 2	24
Loading Rate Tolerance	110%
Min Gen Tolerance (Loading) Factor 1	10%
Min Gen Tolerance (Loading) Factor 2	1MW
De-Loading Rate	£0.53 / MWh
De-Loading Rate Factor 1	60 min
De-Loading Rate Factor 2	24
De-Loading Rate Tolerance	110%
Min Gen Tolerance (De-Loading) Factor 1	10%
Min Gen Tolerance (De-Loading) Factor 2	1MW
Early Synchronisation	£2.38 / MWh
Early Synchronisation Tolerance	15 min
Early Synchronisation Factor	60 min
Late Synchronisation	£23.76 / MWh
Late Synchronisation Tolerance	5 min
Late Synchronisation Factor	55 min

#### RoCoF GPI Charges<sup>4</sup>

Registered capacity	Period		
	01/10/16 - 30/11/16	01/12/16 - 31/05/17	01/06/17 - 30/09/17
≥ 400MW	£580.94	£1,161.88	£1,742.81
≥ 300MW	£435.71	£871.41	£1,307.11
≥ 200MW	£290.47	£580.94	£871.41
≥ 100MW	£145.24	£290.47	£435.71
≥ 50MW	£87.14	£174.28	£261.43
< 50MW	£29.05	£58.09	£87.14

#### Trips and Short Notice Declaration Charge Rates/Parameters

Trips	
Direct Trip Rate of MW Loss	15 MW/s
Fast Wind Down Rate of MW Loss	3 MW/s
Slow Wind Down Rate of MW Loss	1 MW/s
Direct Trip Charge Rate	£3,591.25
Fast Wind Down Charge Rate	£2,693.02
Slow Wind Down Charge Rate	£1,795.63
Direct Trip Constant	0.01
Fast Wind Down Constant	0.009
Slow Wind Down Constant	0.008
Trip MW Loss Threshold	100 MW
Short Notice Declarations	
SND Time Minimum	5 min
SND Time Medium	20 min
SND Time Zero	480 min
SND Powering Factor	-0.3
SND Charge Rate	£62.53 / MW
SND Minimum Threshold	15 MW
Time Window for Chargeable SNDs	60 min

The exchange rate applied for converting the OSC rates to GBP amounts was 0.8450.

Charges for Generator Performance Incentives, Trips and Short Notice Declarations will be calculated and applied by SONI in accordance with the provisions of the Other System Charges Methodology Statement developed on an all-island basis by SONI in conjunction with EirGrid (its counterpart in Ireland) based on the Regulatory Authorities' harmonised decisions and posted on the SONI website ([www.soni.ltd.uk](http://www.soni.ltd.uk)), as the same may be amended from time to time.

<sup>4</sup>

[http://www.uregni.gov.uk/uploads/publications/Decision\\_Paper\\_on\\_the\\_Rate\\_of\\_Change\\_of\\_Frequency\\_Grid\\_Code\\_Modification.pdf](http://www.uregni.gov.uk/uploads/publications/Decision_Paper_on_the_Rate_of_Change_of_Frequency_Grid_Code_Modification.pdf)