

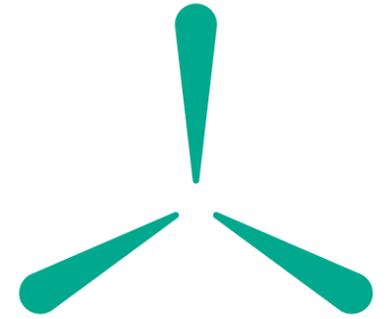
# DS3 System Services Tariff Consultation

Friday 19<sup>th</sup> of April, 2024 @11h00 - 12h00



# Agenda

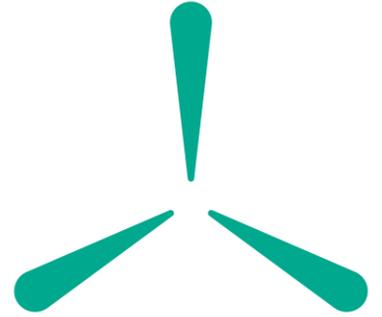
- Intro / House rules
- Background & History of DS3 Tariff Consultations
- Changing Power System
- Volume & Expenditure Analysis
- Options being proposed
- Questions & Discussion



# Intro / House rules

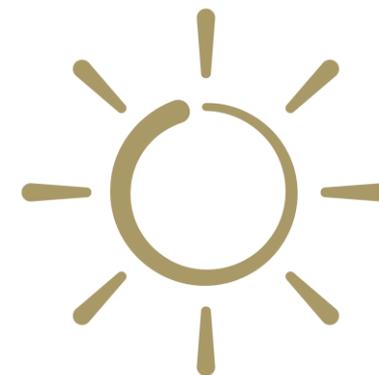
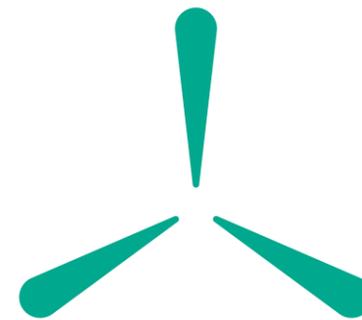


- Please keep your microphone muted during the presentation.
- Questions through chat and/or raising your hand will be accepted after the presentation.
- Post workshop, queries can be emailed to EirGrid Plc: [DS3@eirgrid.com](mailto:DS3@eirgrid.com) and SONI Limited: [DS3@soni.ltd.uk](mailto:DS3@soni.ltd.uk)
- The presentation slides will be made available on the EirGrid and SONI websites.



# Background

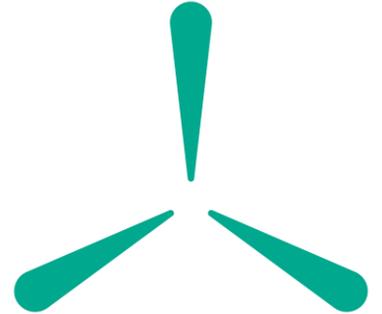
- DS3 System Service - designed for 2020 - Tariff based and not volumed based. Will be replaced by FASS.
- May 2021 - First Tariff consultation - 10% reduction in tariffs approved by SEMC
- Sept 2022 - Second Tariff consultation - SEMC took no action and kept tariffs unchanged
- 8<sup>th</sup> Dec 2023 - SEMC instructs TSOs to initiate another Tariff consultation by end of Q1 2024



# Changing Power System

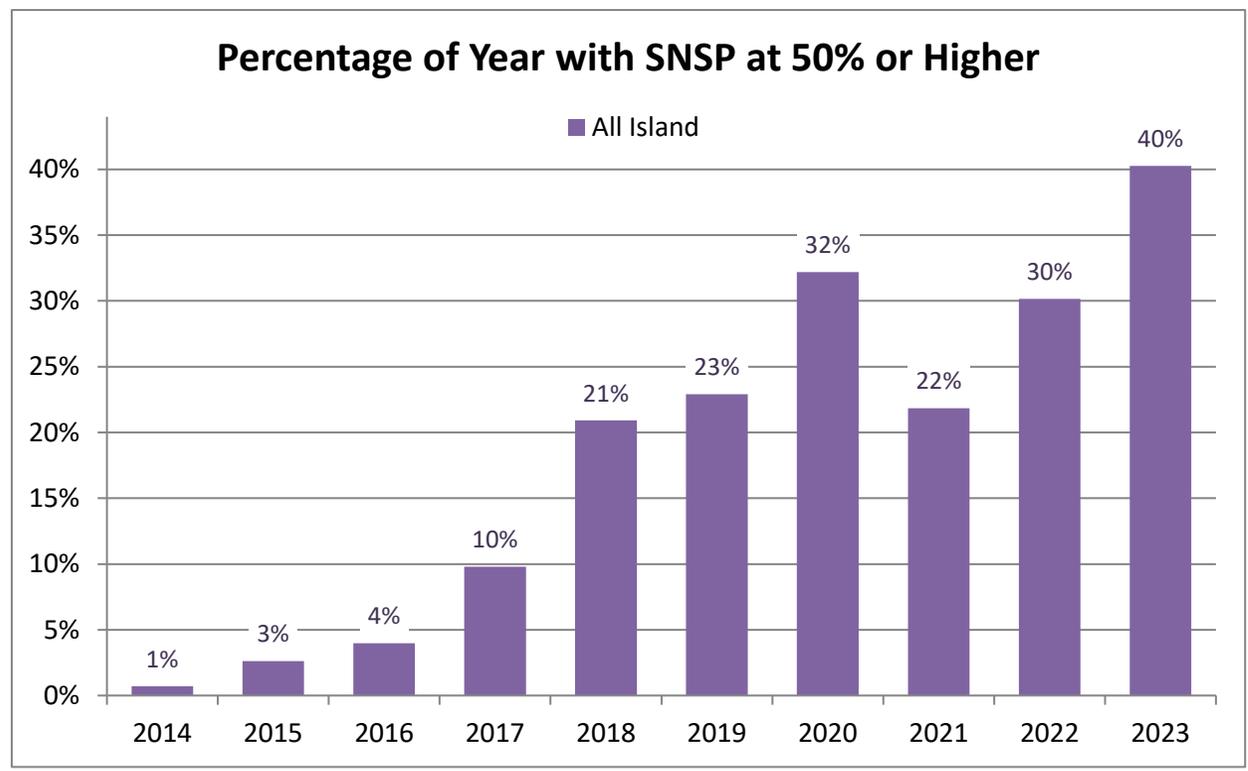
Electricity Fuel Mix as Percentage of Demand - Calendar Year Figures:

	All Island									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fuel Type	%	%	%	%	%	%	%	%	%	%
Coal	16.4%	18.4%	17.6%	12.9%	8.7%	3.5%	4.2%	9.4%	8.0%	4.2%
Oil	0.7%	1.1%	0.8%	0.4%	0.4%	0.7%	1.0%	3.6%	2.6%	0.3%
NR Peat	6.8%	6.7%	6.1%	5.6%	5.3%	4.9%	2.3%	0.8%	0.6%	0.3%
Gas	44.9%	44.0%	51.7%	53.3%	50.5%	50.3%	50.7%	46.8%	50.7%	43.9%
Wind	18.0%	22.3%	20.6%	25.3%	28.6%	32.2%	36.4%	29.6%	34.1%	34.1%
Solar	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.6%	0.6%	0.5%	1.3%
Hydro	2.0%	2.2%	1.8%	1.8%	1.8%	2.3%	2.4%	1.9%	1.8%	2.3%
Other Renewables	1.8%	1.8%	2.6%	2.8%	3.3%	3.0%	3.2%	3.3%	3.1%	2.8%
Other Non-Renewables	0.2%	0.2%	0.2%	0.4%	0.8%	0.7%	0.8%	0.8%	0.8%	0.8%
Net Imports	9.4%	3.4%	-1.4%	-2.6%	0.5%	2.0%	-1.5%	3.3%	-2.2%	10.0%
Total Demand	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Renewables	21.7%	26.3%	25.0%	29.9%	33.7%	37.9%	42.6%	35.3%	39.5%	40.5%
Updated: Feb 2023										



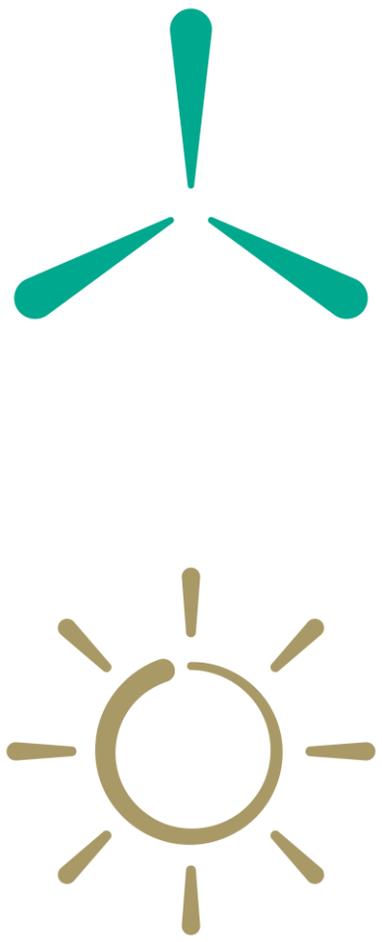
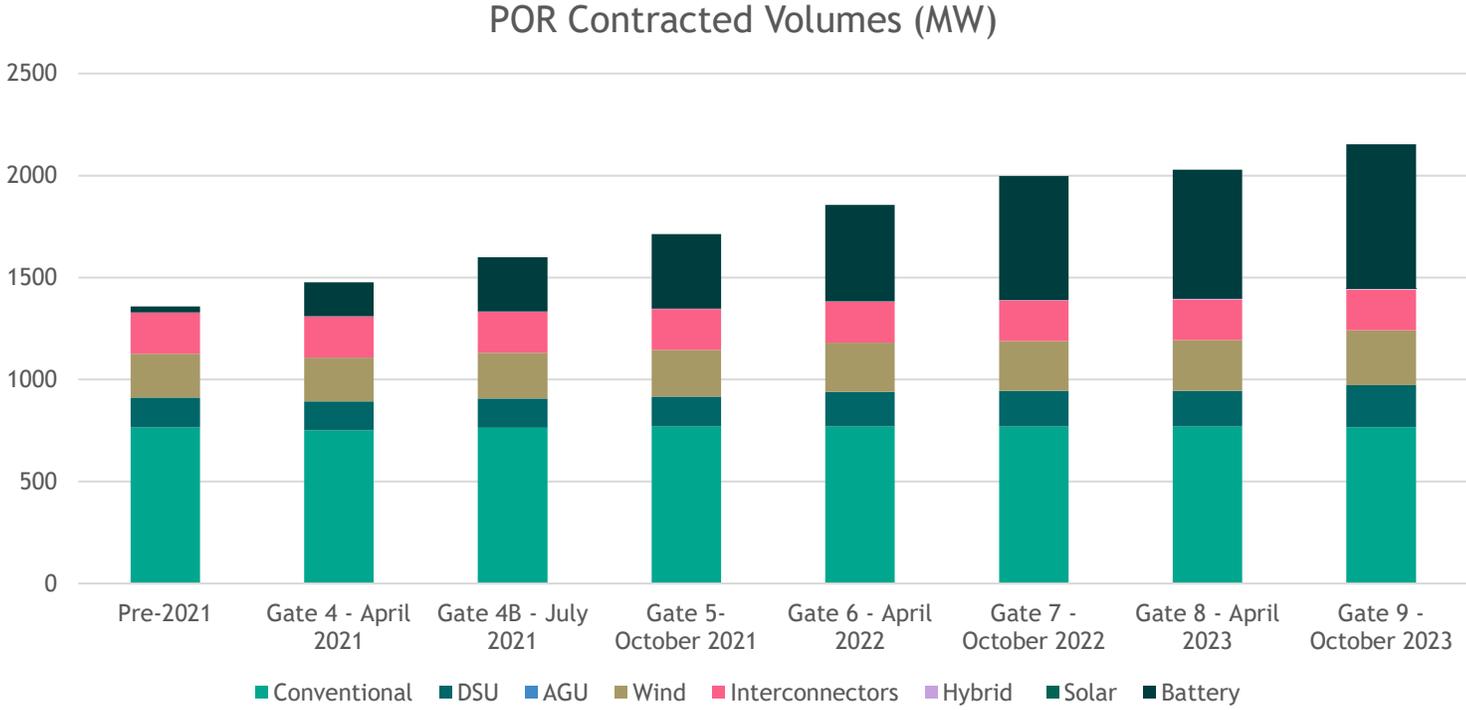
# Changing Power System

$$\text{SNSP}(\%) = \frac{\text{Non - Synchronous Generation} + \text{Net Interconnector Imports}}{\text{Demand} + \text{Net Interconnector Exports}} \times 100$$



# Volume Analysis

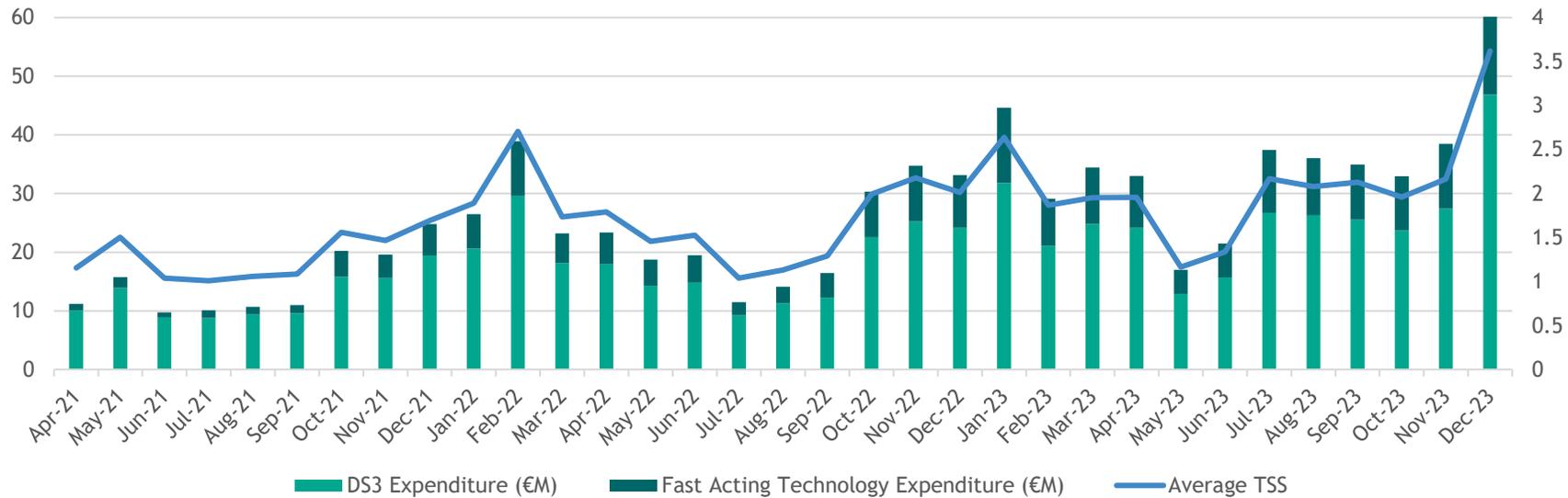
- Significant growth in contracted volumes



# Expenditure Analysis

- Becoming more volatile due to TSS scaler (High SNSP levels results in up to 6.3 increase in tariff)
- SNSP driven by renewables and increasing interconnector imports

DS3 Expenditure vs Average Monthly TSS



# Options to Manage

- A reduction in (TSS) values for all services,
- A reduction in tariffs,
- Cease procurement of services.

**Note** - Looking for evidence on Reactive Power (SSRP) tariff level



# Questions & Discussion

Deadline for submissions extended

Closing date for receipt of submissions is  
COB Friday 3<sup>rd</sup> of May 2024.

