



Ancillary Services Statement of Payments and Charges

Applicable from 1st February 2010

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

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CONTACT DETAILS

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This statement is obtainable from the SONI website (www.soni.ltd.uk).

INTRODUCTION

This statement of payments and charges sets out the payment rates and charge rates/parameters for Ancillary Services in Northern Ireland with effect from 1 February 2010, being the date on which the new harmonised Ancillary Services arrangements come into effect in accordance with the decisions of the SEM Committee.

The current arrangements for Ancillary Services have been in place since the introduction of the Single Electricity Market and operate outside the Trading & Settlement Code through bi-lateral System Support Services Agreements in NI and Ancillary Services Agreements in Ireland. The new Ancillary Services arrangements will harmonise the structure, treatment, payments and charges for Ancillary Services for the SEM. The new Ancillary Services Agreement will replace the System Support Services Agreements in NI which have been terminated to facilitate the introduction of the harmonised arrangements.

This 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 Statement shall have the definitions given to them in the Electricity (Northern Ireland) Order 1992 (the Order), the Energy (Northern Ireland) Order 2003, Electricity (Single Wholesale Market) (Northern Ireland) Order 2007, the Electricity Regulations (Northern Ireland) 2007, the System Operator Licence or the pro forma Ancillary Services Agreement (as posted from time to time on the SONI website), unless defined otherwise.

This document contains:

- i. Operating Reserve payment rates and charge rates/parameters as outlined in Schedule A
- ii. Reactive Power payment rates as outlined in Schedule B
- iii. Black Start payment rates and charge rates/parameters as outlined in Schedule C

A party who has entered into an Ancillary Services Contract with SONI will receive payments and pay charges calculated by reference to the payment rates and charge rates/parameters set out in this statement and the accompanying schedules. Payment rates and charge rates/parameters shown are current at the time of publication but are subject to change without notice following revision of the statement and its approval by NIAUR.

SCHEDULE A

OPERATING RESERVE PAYMENT RATES AND CHARGE RATES/PARAMETERS

All rates set out in this below are exclusive of VAT at the relevant rate applicable thereto from time to time.

Operating Reserve Payment Rates and Charge Rates/Parameters

The table below sets out the payment rates applicable to the calculation of payments and the charge rates/parameters applicable to the calculation of charges for Primary Operating Reserve, Secondary Operating Reserve, Tertiary Operating Reserve 1, Tertiary Operating Reserve 2 and Replacement Reserve under Schedule 2 of the Ancillary Services Contract.

Ancillary Services Payment Rates	
Payment Parameters & Rates	Payment Rates
Primary Operating Reserve	£ 1.88/ MWh
Secondary Operating Reserve	£ 1.81/ MWh
Tertiary Operating Reserve 1	£ 1.50 / MWh
Tertiary Operating Reserve 2	£ 0.75 / MWh
Replacement Reserve (Synchronised)	£ 0.17 / MWh
Replacement Reserve (De-Synchronised)	£ 0.44 / MWh
Charge Rates/Parameters for Under Provision	
POR Charge Period	30 days
SOR Charge Period	30 days
TOR1 Charge Period	30 days
Event Frequency Threshold	49.5 Hz
Reserve MW Tolerance	1 MW
Reserve Percentage Tolerance	10 %

SCHEDULE B

REACTIVE POWER PAYMENT RATES

All rates set out in this below are exclusive of VAT at the relevant rate applicable thereto from time to time.

Reactive Power Payment Rates

The table below sets out the payment rates applicable to the calculation of Reactive Power Capability Payments (Leading) and Reactive Power Capability Payments (Lagging) under Schedule 3 of the Ancillary Services Contract.

Reactive Power Capability (Lagging)	£ 0.11 /Mvarh
Reactive Power Capability (Leading)	£ 0.11 /Mvarh

Note: the calculation of Reactive Power Capability Payments (Leading) and Reactive Power Capability Payments (Lagging) under Schedule 3 of the Ancillary Services Contract involves an AVR factor which has a value of 2 when the AVR is in service and 1 when it is not in service, calculated on a Time Weighted Average basis.