Balancing Market Principles Statement

Consultation on Revisions

Opening: 13 May 2025

Closing: 5pm 12 June 2025



Introduction

The SEM Committee has highlighted the importance of transparency within the market arrangements. SONI and EirGrid's Balancing Market Principles Statement (BMPS) is a comprehensive transparency resource. The purpose of the document is to increase awareness and visibility of the Transmission System Operators' scheduling and dispatch processes.

Our intention is that the BMPS is informative and comprehensive, striking a balance between detail on the technical complexity of the scheduling and dispatch process and accessibility for informed industry participants.

The format, style and content of the document were consulted before Version 1.0 of the document was published in 2017. The most recent version, <u>version 8.0</u> was published in July 2024 following consultation on revisions.

The purpose of this consultation is to present a number of revisions to the BMPS and to seek feedback on those revisions. Stakeholders will note that every effort is made by EirGrid and SONI to review the BMPS on an ongoing basis, with a view to ensuring that its content continues to be accurate and up to date. The BMPS focuses exclusively on the extant codes and licenses that apply in Ireland and Northern Ireland and does not speculate on the outcome of the regulatory approval process. Looking forward, it may therefore be necessary for EirGrid and SONI to amend this BMPS (subject to and in accordance with the applicable license condition in their respective Transmission System Operator Licenses) to ensure that the BMPS remains consistent with the applicable obligations framework.

Participating in this Consultation

The proposed revisions are presented for consultation by EirGrid and SONI in accordance with our Transmission System Operator License obligations (Condition 22B of SONI's and Condition 10B of EirGrid's TSO licenses) and SEM Committee decision SEM-16-058 'Balancing Market Principles Statement Terms of Reference'.

Respondents should focus their feedback on the proposed revisions only. The <u>consultation report from the previous consultation</u> will provide an indication of previous feedback and out of scope comments. Responses to this consultation should be sent to BMPS@EirGrid.com or BMPS@SONI.ltd.uk before 5pm on Wednesday 5th June 2025.

Please note:

- Late submissions will not be accepted to ensure a consultation report is compiled and issued to the Regulatory Authorities within 7 days of the closing date as required by our Transmission System Operator Licenses.
- We intend to publish all responses to the consultation. If you do not want your response to be published, please state this clearly in your response.
- We will submit all responses, the consultation report and proposed new version of the BMPS to the Regulatory Authorities with the intention of publishing an updated BMPS in July 2025.

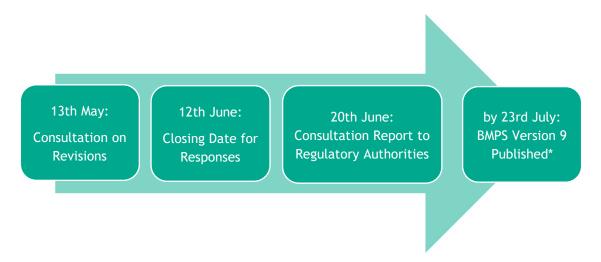


Figure 1: Timeline to Publication of Version 9.0 *Unless directed otherwise by the Regulatory Authorities.

Proposed Revisions

All proposed revisions are red lined in the consultation version of the document, Version 8.1, 13th May 2025. There are numerous minor edits to the document to ensure it is contemporary. A summary of the main proposed revisions in the document is outlined in Table 1 below.

Section	Update /Revision/ Reason for revision
	SONI Grid Code updated to Version 10, 24th April 2024
Important information	Trade and Settlement Code Part B updated to Trade and Settlement Code to Version 30.0 on 8th November 2024.
	GB-TSO definition updated
Terms and Definitions	Energy Storage Power Station (ESPS) added
	Non-Priority Dispatch Renewables (NPDR) added
	Regional Coordination Centres (RCC) corrected
	Risk Preparedness Plan (RPP) added
2. Obligations	Update to Figure 2: Scheduling and Dispatch Process Obligations
2.1	The footnote "In NI, some of these duties are shared with NIE Networks, the Transmission Asset Owner, while maintenance of the transmission network in NI is fully the responsibility of NIE Networks" is revised to read as follows for clarity:
Ensuring Operational Security	"In Ireland and Northern Ireland, Transmission Asset Owners (TAOs) are separate legal entities to the TSOs. Under the respective, certified arrangements, the TAOs have a role in carrying out some of these functions, for example physical maintenance works."
	The footnote "For power-generating facilities commissioned as from 1 January 2026, priority dispatch shall apply only to power-generating facilities that use renewable energy sources and have an installed electricity capacity of less than 200 kW (pursuant to Article 12(5) of the Internal Electricity Market Regulation)" is added for clarity.
2.2 Maximizing priority dispatch	The statement "with the latest SEM proposed decision papers, SEM-21-027, SEM-21-026 and decision paper SEM-22-009, outlining that the treatment and participation of such units is unlikely to change markedly until any associated central market system changes are complete" is deleted for clarity.
	The footnote This legislation was transposed in NI in 2015; however, any successor legislation will not automatically apply in NI is added to provide more context.
	The second last paragraph is revised by deleting "as amended, including by virtue of The Electricity (Priority Dispatch) Regulations

	(Northern Ireland) 2020." as the regulations simply added the article to the 1992 order. A further footnote is provided.
2.3 Efficient operational security	The paragraph, "Under the Trade and Cooperation Agreement - Article 311 (1), to ensure efficient use of interconnectors and reducing barriers to trade between SEM and GB, EirGrid and SONI are required to ensure that the maximum level of capacity of electricity interconnectors is made available, respecting the need to ensure (b)(i) secure system operation; and (b)(ii) most efficient use of systems. Also, under Article 311(1)(c), EirGrid and SONI are to ensure the electricity interconnector capacity is only curtailed in emergency situations and this curtailment must take place in a non-discriminatory manner" is revised to read as follows for clarity:
	"Article 311 (1) of the Trade and Cooperation Agreement between the EU and the United Kingdom (UK) aims to ensure the efficient use of electricity interconnectors and reducing barriers to trade between the EU and the UK. Article 311(1)(b) requires the EU and the UK to ensure that the maximum level of capacity of electricity interconnectors is made available, respecting the need to ensure secure system operation, and the most efficient use of systems. Also, under Article 311(1)(c), the EU and the United Kingdom are to ensure the electricity interconnector capacity is only curtailed in emergency situations and this curtailment must take place in a non-discriminatory manner."
	The sentence in the last paragraph, "The practical application of EBGL in the SEM is suspended pending reconnection of the SEM to the EU internal energy market with the completion of the proposed Celtic Interconnector" is revised and replaced with:
	"SONI and EirGrid are working to deliver these obligations via a number of workstreams, including those required to ensure that we are prepared for the reconnection of the SEM to the EU internal energy market with the completion of the proposed Celtic Interconnector." This update reflects the volume of work currently ongoing in this area.
3.1.1 Priority Dispatch	Reference to the footnote regarding priority dispatch controllability is updated in footnote 9.
3.1.2 Scheduling and Dispatch Policy Parameters	The second last paragraph is updated with the latest SEMC decisions. The period that these parameters apply to is also highlighted.
3.2.1 Unit Technical data (and throughout the document)	TSC Part B is replaced with simply TSC to reflect the current situation.

3.2.2 Unit commercial Data	The sentence "Following go-live of the Scheduling and Dispatch Programme (SDP), Non-Priority Dispatchable Renewable (NPDR) units will be required to submit Commercial Offer Data" is added to the second paragraph of this section to reflect the imminent nature of this transition.
3.2.3 Physical Notifications	The sentence, "Following go-live of the Scheduling and Dispatch Programme (SDP), all Non-Priority Dispatch Renewables (NPDR) units will also be required to submit PNs." is added to paragraph 2 in of this section.
3.2.4 Availability and Systems Services Capability Declarations	The second paragraph is edited to reference the correct TSC sections.
	The fifth paragraph on non-dispatchable wind and solar units is revised and the sentence "Following go-live of the Scheduling and Dispatch Programme (SDP), Non-Priority Dispatch renewable (NPDR) units will also submit a forecast availability via the BMI." is added to provide further detail on the SDP01 components.
	The paragraph, "In preparation of the go-live of the Scheduling and Dispatch Programme (SDP), the TSOs are developing operational procedures to guide the declaration of availability for battery units. Some of these are captured in the Overview of Scheduling and Dispatch Programme (SDP) Solution for Battery Units. These rules will provide a structured approach by which battery units will declare availability in EDIL during normal operations and when they deviate from PNs. Real time availability signals will be transmitted to the TSOs via EMS." is added to provide high level detail on the treatment of batteries post SDP-go-live.
	The paragraph Note that while wind participants may submit physical notifications (PN) representing their forecast production, these are not used in the scheduling and dispatch process. Rather we develop schedules that utilise our own forecast of renewables. This approach is driven by the priority dispatch categorisation of renewable generation is revised as follows for clarity:
	"Note that while wind and solar participants with priority dispatch status may submit physical notifications (PN) representing their forecast production, these are not used in the scheduling and dispatch process. Rather we develop schedules that utilise our own forecast of dispatchable priority dispatch renewables. This approach is driven by the priority dispatch categorisation of renewable generation"
3.4.2 Renewable Forecast	The paragraph, "Following go-live of the Scheduling and Dispatch Programme (SDP), Non-Priority Dispatch Renewable (NPDR) units will also submit forecast availability through the BMI. This can be used in place of or in combination with TSO procured forecasts for

	scheduling purposes." is added to reflect the imminent nature of this transition.
	The sentence "The impact of solar micro generation is having a material impact on demand profiles and more generally on the scheduling and dispatch process. The forecasting and treatment of this embedded generation is in development" is deleted and replaced with "The forecasting of embedded generation, with respect to the scheduling and dispatch process, is under development" for clarity.
3.4.3 Constraints	Figure 5 is revised by removing the South-West Must Run, which no longer applies.
	The sentence "Constraints may also arise on distribution network connected units. Where such constraints impact on our ability to dispatch/control units, the relevant DSO/DNO will inform us so that the constraint is reflected in the scheduling and dispatch process" is moved.
	Four (4) new paragraphs are introduced at the end of the section to describe (1) the TSO/DSO operational model and (2) its upcoming implementation between SONI and NIEN.
4 The Scheduling and Dispatch Process	The paragraph about the Scheduling & Dispatch Programme is in this section is revised for clarity.
	The sentence "The SDP will be delivered in two tranches. Tranche 1 will address the treatment of NPDR, Battery Energy Power Stations (ESPS), and wind and solar dispatch improvements. Tranche 2 will address low carbon inertia services capability, fast frequency response capability, and reserve services capability dispatch and scheduling from new providers" is revised and replaced with "The SDP is still ongoing, and the changes introduced as part of the programme are outlined to the maximum extent possible in this document". This better reflects the imminent nature of this transition.
4.1 Process Overview	The second paragraph is revised by adding the phrase "(and for Non-Priority Dispatch Renewable (NPDR) units following go-live of the Scheduling and Dispatch Programme (SDP))" as a high-level pointer to the SDP and NPDR
4.2 Input Data Processing	The sentence "Note: Battery ESPS units are an initiative of the 'Scheduling and Dispatch Programme' with the aim to produce a solution for Battery ESPS units that will increase their use in scheduling and dispatch" is deleted as it is already captured in the

	prevailing SDP text in the document. It is the provided as footnote 17 in the new text.
	The text, "Note: The scope of the 'Scheduling and Dispatch Programme' includes the improvement of the treatment of Synchronous condenser units in the central market systems" at the end of section 4.2 is moved down as a footnote.
4.4.5 Non-Priority Dispatch Renewables	A new high-level description of the treatment of NPDR units following the SDP go-live is provided in section 4.4.5.
4.4.6 Battery Energy Storage Power Stations (ESPS) units	A summary of the treatment of batteries on SDP go-live is added as follows: "Following go-live of the Scheduling and Dispatch Programme batteries will be included in indicative operational schedules by scheduling to their PN and enhancing the dispatch capability to allow for scheduling and dispatch to positive and negative quantities. Due to the scheduling systems' inability to optimise batteries with respect to energy limits, the Scheduling and Dispatch Programme changes will enable the dispatching of batteries to PN as far as is reasonably possible, rather than dispatching based on merit alone. Scheduling applications will include battery units in reserve scheduling, allowing each battery unit to contribute to any reserve category based on the reserve capability curves data, state of charge and real time availability of the units".
4.5 Meeting Our Obligations	The link to the LNAF and SIFF documentation is updated with the most recent one (SEM-24-054a).
4.5.3.1 Process Design	The sentence As Participants can update their costs and PNs up to one hour ahead of real-time, our schedules are updated on a more regular basis to ensure that we are also operating off the latest commercial positions is updated by replacing "up to one hour ahead of real-time" with up to the Gate Closure of the Imbalance Settlement Period" for clarity.
5.2.1 Overview	The following text is added to the reporting mechanism section as relates to the Non-Market generation: "A System Margin Warning may also be issued in Ireland when SONI has issued an Alert state, EirGrid has maximised market-based support over the N-S Tie-Line, the Tie-Line has additional transfer capacity, and SONI and has invoked Emergency Assistance on the Moyle Interconnector. A "Margin Shortfall Risk" notice will be issued to the market indicating when the Moneypoint units are dispatched indicating the period ahead for which there is a heightened risk of a system Alert or Emergency state in the absence of non-market units in the margin calculation.

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	Dispatch of Moneypoint and TEG units in response to tight margins will appear in Balancing Market reports (See Section 5.2.2.2). A list of Margin Warnings, Margin Shortfall Risk notices, and dispatch periods of these units will be reported in the Annual All-Island Transmission System Performance Report."
5.2.2.1 Background	Updated information relating to dispatch of TEGs is provided as follows: "These units can be dispatched in real-time. The conditions under which these might be considered in margin calculations and dispatched are outlined in this section. From 1st July 2025 additional non-market generation, provided by Moneypoint units 1, 2, and 3 will be available to the System Operator. These units will generally not be available at short notice. The decision criteria for calling on these units are addressed in section 5.2.3. Article 11(1)(g) of Regulation (EU) 2019/941 requires the treatment of non-market measures to be addressed in the respective Risk Preparedness Plans for Ireland and Northern Ireland. These plans are currently being updated by the CRU (as the competent authority for Ireland) and the DfE (Northern Ireland). As the Regulation specifies the publication of the final updated plan by January 2026, the information below relates to the treatment of non-market generation at the time of publishing the BMPS"
5.2.2.3 Market Treatment	The section on the market treatment of TEGs is deleted as it is out of scope of the BMPS.
5.2.2.3	This section is revised and split based on jurisdictions (Ireland and Northern Ireland). The section is updated to describe how TEG in Ireland may be used to support NI.
System Operations Treatment	The note "Any market revenues received by a TEG through the BM is in turn paid to EirGrid to the benefit of use of system customers" is deleted as it is out of scope of the BMPS.
5.2.2.4 Reporting and transparency	A new section on Reporting and transparency is provided.
5.2.3 Retained Existing Units (Moneypoint)	This section is added with comprehensive details relating to Moneypoint retained units, their market treatment, their treatment under system ops, and the associated principles for decision making.
Appendix 1.2 Operational Security Obligation	The row in the table relating to European Legislation is edited by adding Commission Regulation (EU) 2019/941 on risk-preparedness in the electricity sector.
Framework	The section with National Legislation is revised by adding two references (a) EirGrid, Electricity and Turf (Amendment) Act 2022 (S.I. No 17/2022), (b) Electricity Crises: A Risk Preparedness Plan for Ireland (Revised Decision Paper: CRU202346)

	A row listing relevant regulatory decisions in Ireland is added
	(a) "Security of Electricity Supply - Retention of Moneypoint Units (MP1, MP2 & MP3)", CRU Information Paper dated 17/10/2023
	(b) "Electricity Security of Supply Programme of Work Update April 2024", CRU Information Note.
	The table is updated by moving the row on Regulatory Decisions to the end of the Table. This applied across all the tables with Regulatory Decision rows, for conformity. This is further updated to include, where needed, the Risk Preparedness Plan.
Appendix 1.4 Efficient operation of SEM Obligations Framework	An additional European legislation is added to the list: Commission Regulation (EU) 2017/2195 establishing a guideline on electricity balancing (EBGL).
Appendix 2.1 Input Data Processing	The row relating to Renewable Energy Forecast in the Input Data Processing in Appendix 2.1 is updated with the following text to reflect the treatment of NPDRs post SDP go-live: "Following SDP go-live, Non- Priority Dispatch Renewable (NPDR) units will submit forecasts which can be considered in combination with TSO sourced forecasts so as to produce the most accurate indicative operations schedule. (Forecasts feed into scheduling runs, but in all cases real-time availability determines dispatch outcomes)".
Appendix 2.1 Input Data Processing	The table under "Participant / Service Provider Technical and Availability Data" is updated to include the treatment of Priority and Non-Priority Wind for all the scheduling runs"
Appendix 2.3: Dispatch and Control Actions	The section under Control Wind and Solar Units is updated by introducing a second paragraph; "Following the go-live of the Scheduling and Dispatch Programme (SDP), Non-Priority Dispatch Renewable (NPDR) units will be issued a control Active Power Control (MW) setpoints for energy balancing purposes. Where real-time availability drops lower than any previously issued merit order setpoint, the real time availability will be used by the market systems as a deemed TSO instruction"

Table 1: Summary of proposed revisions in BMPS version 8.1.

Future Revisions

We will continue to monitor, review and update the BMPS on an enduring basis, in line with our license obligations. Any revisions which may be required will be subject to further public consultation and engagement with the Utility Regulator in Northern Ireland and the Commission for Regulation of Utilities in Ireland.