

RESPONSE TO PARTICIPANT QUESTIONNAIRE WORKING GROUP 4 SEM INTRA DAY TRADING WORKING GROUP (WG_18_10)

This document captures Synergen response to the questionnaire issued following the 4th Intra Day Trading Working Group on the basis that the Option Group 1 is being taken forward i.e. there will be a first Gate Closure on TD-1 (TD-1 AM : EA1); an additional Gate Closure on TD-1 (TD-1 PM : EA2) and a final Gate Closure on TD (TD AM : WD1) and re-bidding will be available to all participants for these Gate Closures.

1 GATE CLOSURE TIMINGS:

From a Market Operations perspective, the constraints are: (a) that WD1 be completed before EA1 of the next Trading day; (b) Market runs will take 90 minutes to complete (including publication). **What are Participants' preferred timings for the Gate Closures for EA1, EA2 and WD1, (bearing in mind the constraints above)?**

Synergen has no significant internal constraints related to the suggested timings for the Gate Closures. Our preference would be for the following: EA1 to be 1000 D-1; EA2 to be 1600 D-1 and WD1 to be 0800. We would also be content with a gate closure for EA2 at 17:00, but would prefer to keep EA2 within the conventional working day. A gate closure for WD1 of 8:30 would also be acceptable, if this had benefits in terms of the SMO working regimes.

2 SYSTEM OPERATIONAL SCHEDULES:

From a System Operations perspective, the constraints are: (a) the first day ahead Operational Schedule takes 4 hours; and (b) Operational Schedules take 3 hours thereafter. Bearing these in mind:

(a) Do Participants require a production schedule in advance of the EA2 Gate Closure on D-1?

(b) Do Participants require a production schedule in advance of 4pm on D-1?

Note: The Operational Schedule refers to the SO Operational Schedule run which is separate from the Market run. The Operational Schedule requires as input the MIUNs produced from the Market run, so the timing constraints of the two runs are cumulative (i.e. 90 mins for Market run plus 3 or 4 hours for Operational Schedule).

Yes – Synergen does require a production schedule in advance of EA2 as this indicative data is currently used internally (e.g. for operation planning matters) and Synergen requests that this is published as soon as possible i.e. 1530 assuming that EA1 is 1000 and given the overall elapse time is 5½ hours after EA1 based 90 mins for the market schedule and then a further 4 hours for the Operational Schedule. In addition, Synergen would require further operational schedule information after both EA2 and WD1.

3 OFFER SUBMISSION

The following is proposed: For EA1, bids will, as now, be applicable for the entire Optimisation Time Horizon pertaining to Trading Day D. For EA2, re-bidding will apply to the entire Optimisation Time Horizon pertaining to Trading Day D. For WD1, re-bidding will be possible for the remainder of the Trading Day D, commencing after the end period of EA2 bids. **What is the end time/ Trading Period to which re-bidding should apply (e.g. should re-bidding apply for the period 06:00 to 16:00)?**

Under the T&SC, the EA1 bid is not applicable for the entire Optimisation Time Horizon. Rather, it applies to the Trading Day and is extended out across the Optimisation Time Horizon in order to facilitate a robust optimisation. Synergen supports the position set out in the revised questionnaire that bids at EA1 and EA2 are both applicable to the existing 30h optimisation horizon. The bid at EA2 would thus replace the EA1 bid in its entirety.

A fundamental market principle is that there is no retrospective bidding. Thus the start of the WD1 validity period should be after submission of WD1 and given the software constraints, Synergen suggests that the WD1 validity period to be from 1900 to 0600 i.e. for the last 11h of the Trading Day. This would suggest a 17h optimisation at WD1, from 17:00 – 12:00.

An alternative option would have been an 18 hour optimisation from 1800 to 1200 (with a 12 hour bid validity period). Synergen's concern with these timeframes is that it may not be prudent to commence the optimisation at a time of system peak, indeed the existing market optimisation periods was established on this basis. Consequentially, we believe that the optimisation at WD1 should be for a period after the evening peak (hence the suggestion of 19:00), but Synergen would welcome the SEMO/TSO's views on this.

4 (P,Q) PAIRS

For Interconnector Units who intend to submit offers in the EA2 and WD1 gates, do you require the full range of 10 (P,Q) pairs, or will a lower number e.g. 5 (P,Q) pairs suffice? (This will have implications for the design.)

In relation to this matter there are two questions: (1) Should the same number of PQ pairs apply for EA1, EA2 and WD1? And (2) How many PQ pairs should there be?

Synergen considers there should be same number of PQ pairs at EA1, EA2 and WD1 as it would introduce unnecessary market complexity if there are differing data validation protocols for the EA2 and WD1 bids compared with an EA1 bid and could also create confusion with bid comparison.

Synergen understands that there would be significant computing advantages gained by reducing the number of PQ pairs e.g. shortening the data storage and complexity for dispatch and market schedule calculations as well as making the systems more robust to future market developments. Synergen's understanding is that interconnector units make only limited use of P/Q pairs at the present time, and thus a limit of 5 would be likely to meet their requirements - indeed Synergen's limited internal analysis shows that few generator participants presently use more than 3 PQ pairs.

Synergen would like to confirm that no system issues arise if the number of P/Q pairs available to interconnector units and generators differs.

5 SYSTEM SECURITY MITIGATION OPTIONS:

What are Participants' views on the following security mitigation options presented in Working Group 4?:

- a) **Market scheduling** where the market scheduling engine is modified to reflect generator parameters more accurately including Generation plant notice times and generation run up characteristics
- b) **Interconnector ramp rates**
- c) **Constraining interconnector flows for security**
- d) **ATC changes**
- e) **Generator Flexibility Incentives**

Synergen considers that the system security matters raised by the SOs in relation to Mod_18_10 merit serious consideration but these issues are much wider than EU compliance with respect to intraday trading i.e. outside the scope of Mod_18_10.

The significant investment in both wind plant and interconnection to GB are of such magnitude that a robust and considered assessment of system security is needed prior to any scheduling modification being taken forward. Therefore, Synergen recommends that the RAs give specific consideration to the issues raised by the TSOs and update the next Working Group on their proposed approach to taking them forward, with particular reference to how this links the current consultation¹ on scheduling and dispatch in the SEM.

¹ See http://www.allislandproject.org/en/renewable_current_consultations.aspx?article=e0c599c8-6b2c-4931-b7cd-d2f818bed836 - "Principles of Dispatch and the Design of the Market Schedule in the Trading & Settlement Code - A Consultation Paper" - 8 July 2009 - SEM-09-073.