

30/08/24

# Future Power Markets Update

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# Future Power Markets

The Future Power Markets team is focused on how the ambition of up to 80% renewable energy share in electricity (RES-E) will be facilitated through the market.

The team's work spans across a number of core project areas, including:

- Strategic Markets Programme (SMP)
- Future Arrangements for System Services (FASS)
- Scheduling and Dispatch Programme (SDP)

Additional workstreams include:

- Long Duration Energy Storage (LDES)



# Strategic Markets Programme

SMP has a wide scope, a significant portion of which are changes required for Celtic Interconnector Go-Live and enabling increased flexible technology incorporating:

- **Full EU Integration:** The Celtic Interconnector, that is due to go-live in Q4 2026, requires the SEM Markets and Operational Systems to be compatible with European standards, which includes re-coupling the day-ahead market but also new arrangements for coupled intraday markets and participation on the EU balancing platform
- **Post-Brexit Trading Arrangements:** Changes to the trading of electricity between the SEM and GB to increase market efficiency
- **Balancing Market Reform:** Changes to the balancing market to enable flexible technology.

## ➤ EU Integration:

- High Level Requirements for EU Integration under development - requiring changes to market rules and schedules, operating processes and system scheduling;
- Current Celtic Interconnector go-live is planned for Q4 2026, and integration with EU markets will need to be in place for this date

## ➤ Post-Brexit Trading Arrangements:

- No update

## ➤ Balancing Market Reform Updates:

- High level requirements for Balancing Market Reform initiatives are under review and moving to the next phase, these are also currently under assessment for code and system changes required and put into project delivery plans.



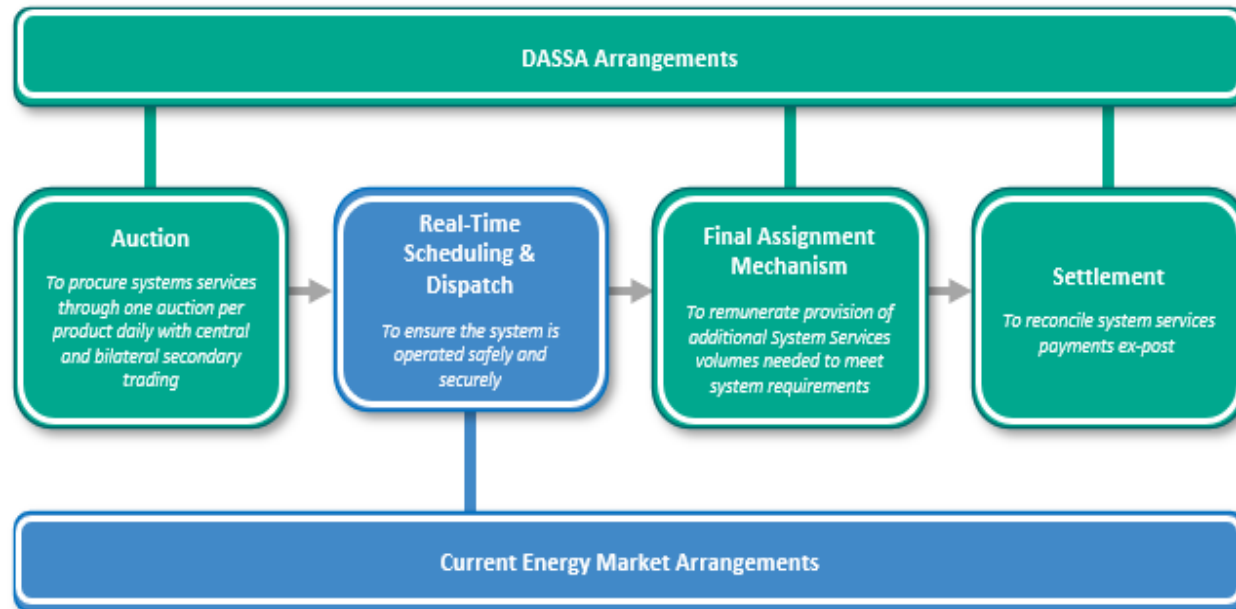
# Future Arrangements for System Services

The design and implementation of Future Arrangements for System Services (FASS) includes:

- “To deliver a competitive framework for the procurement of System Services, that ensures secure operation of the electricity system with higher levels of non-synchronous generation”, in line with the Single Electricity Market Committee (SEMC) request
- The implementation of a Day Ahead System Service Auction (daily auction/DASSA), Layered Procurement Framework and Fixed Term Contracts
- The creation of a System Services market code and updates to relevant codes and licenses.

- The DASSA Design Recommendation Paper was submitted to the RAs on 30<sup>th</sup> July for consideration at the August SEM Committee and is awaiting RA feedback before publication to industry.
- Drafting of the DASSA Product Review and Locational Methodology Recommendation Paper is underway, with the final paper expected to be submitted to the RAs by the end of August. It is anticipated that the paper will be considered at the September SEM Committee.
- The All-Island System Services Supplier Charge Consultation Document was published on 31<sup>st</sup> July and is available at the following links: [EirGrid](#) & [SONI](#). The consultation period will be open for 7 weeks, until 18<sup>th</sup> September. An industry webinar is scheduled for 5<sup>th</sup> September.
- Early analysis for the Volume Forecasting Methodology Consultation Paper has commenced with the TSOs aiming to publish the consultation paper by the end of September.
- The TSOs and RAs are still engaging in relation to the funding application submitted by the TSOs on 16<sup>th</sup> February 2024.
- The TSOs will publish the next iteration of the Phased Implementation Roadmap in September, which will offer additional clarity on the timing of upcoming consultations, TSO recommendations, and SEMC decisions.
- The first draft of the Plain English Version of the System Services Code is underway. To date, the TSOs have engaged on chapters covering Overview, Legal and Governance, Participation, Accession and Registration, and Qualification. The second sitting of the Working Group will be scheduled upon publication of the SEMC Decision on Auction Design.

## Overview of the DASSA Design



# Scheduling and Dispatch Programme

The Scheduling and Dispatch programme aims to:

- To enhance the scheduling and dispatch systems and processes in Ireland and Northern Ireland
- To bring about compliance with the Clean Energy Package (CEP) and the treatment of variable Non-Priority Dispatch Renewables (NPDR)
- Facilitate low/zero carbon grid technologies such as Batteries, Synchronous Condensers in support of the broader goals of renewables and System Non-Synchronous Penetration (SNSP) penetration targets.

- The Scheduling and Dispatch Programme is composed of six initiatives, split into two tranches, with tranche 1 targeting a go live of April 2025:

**Tranche 1:** SDP-01 Operation of Non-Priority Dispatch Renewables (NPDR)  
SDP-02 Energy Storage Power Station (ESPS) integration  
SDP-04 Wind dispatchability improvements

**Tranche 2:** SDP-03 Fast Frequency Response (FFR)  
SDP-05 Reserve services scheduling and dispatch  
SDP-06 Synchronous condenser scheduling and dispatch

- The Scheduling and Dispatch Programme continues at pace and is tracking to target milestones
- SDP Tranche 1 ISEM Technical Specification has been published in line with July 2024 with a Technical Q&A held with Industry on 20th August.
- Tranche 2 detailed requirements completed in July 2024.
- The RA public consultation on Annex on Constraint and Curtailment closed in July 2024.



## Scheduling and Dispatch: Programme Milestones

### Phase 2

| SOEF Milestone ID | Milestone  | Dates          |
|-------------------|--|----------------|
| Tranche 1         | Requirements Definition Complete for Scheduling and Dispatch Programme Tranche 1 Initiatives   | September 2023 |
| Tranche 1         | System Design Complete for Scheduling and Dispatch Programme Tranche 1 Initiatives   | March 2024     |
| Tranche 1         | TSC, CMS & GC Mods Review Complete for Scheduling and Dispatch Programme Tranche 1 Initiatives by the relevant review group (Mods Committee, Grid Code Review Panel, Capacity Market Workshops respectively) | March 2024     |
| Tranche 2         | Requirements Definition Complete for Scheduling and Dispatch Programme Tranche 2 Initiatives   | July 2024      |
| Tranche 2         | Publication of milestones for Scheduling and Dispatch Programme Tranche 2 Initiatives  | September 2024 |

### Phase 3

| SOEF Milestone ID | Milestone   | Dates          |
|-------------------|---|----------------|
| Tranche 1         | System Build Commenced for Scheduling and Dispatch Programme Tranche 1 Initiatives  | March 2024     |
| Tranche 1         | Publication of key milestones for testing and go-live, including revised ISEM Technical Specification of Scheduling and Dispatch Programme Tranche 1 Initiatives                  | June 2024      |
| Tranche 1         | Regulatory Authority approval for Trading and Settlement Code (TSC), Capacity Market Code (CMC) & Grid Code Mods (GC) for Scheduling and Dispatch Programme Tranche 1 Initiatives | June 2024      |
| Tranche 1         | Publication of Technical Specification for Scheduling and Dispatch Programme Tranche 1 Initiatives  | July 2024      |
| Tranche 1         | Vendor System Build and Test Complete for Scheduling and Dispatch Programme Tranche 1 Initiatives   | Dec 2024       |
| Tranche 1         | TSO/MO System Test and Validation Complete for Scheduling and Dispatch Programme Tranche 1 Initiatives  | Mar 2025       |
| Tranche 1         | Participant Interface Test (PIT) Commences for Scheduling and Dispatch Programme Tranche 1 Initiatives  | Mar 2025       |
| Tranche 1         | Participant Interface Test (PIT) Complete for Scheduling and Dispatch Programme Tranche 1 Initiatives   | Mar 2025       |
| Tranche 1         | Cutover activities Commences for Scheduling and Dispatch Programme Tranche 1 Initiatives  | Mar 2025       |
| Tranche 1         | Confirm Go Live Decision for Scheduling and Dispatch Programme Tranche 1 Initiatives  | April 2025     |
| Tranche 1         | Implementation and Go Live for Scheduling and Dispatch Programme Tranche 1 Initiatives  | April 2025     |
| Tranche 2         | Implementation and Go Live for Scheduling and Dispatch Programme Tranche 2 Initiatives  | Oct – Dec 2025 |


# Additional Market Developments






















## Long Duration Energy Storage

- EirGrid and SONI are continuing to engage with regulators and industry to brief on progress within the LDES workstream.
- As part of this we have agreed a timeline with CRU for the procurement of LDES in Ireland, this has been communicated to industry on the 20<sup>th</sup> August.
- In line with this agreed timeline, parallel workstreams have commenced and we look forward to further industry engagement on the topic.



# Future Power Markets Programmes: Consolidated View of Key Dates

-  Meeting/Workshop
-  Consultation/Decision
-  Programme Milestone

| Programme  | April 24   | May 24  | June 24  | July 24  | Aug 24   | Sep 24  | Oct 24  | Nov 24   |
|--|--|---|--|--|--|---|---|--|
|  SDP  |  ESPS Modification Follow-Up 05 Apr |   |  Publication of Delivery schedule                             |  |  |   |   |  |
|  LDES |  |   |  |  |  |   |   |  |
|  FASS |  DASSA Auction Design Workshop      |   |  DASSA Auction Design Recommendations Paper                   |  |  DASSA Auction Design SEMC Decision |   | <i>Summary view. See FASS Phased Implementation Roadmap for full view of programme milestones.</i>      |  |
|  |  Code Development Panel TOR         |   |  Product Review and Locational Methodology Consultation Paper |  |  Phased Implementation Roadmap 2    |   |   |  |
|  SMP  |  |   |  |  |  |   |   |  |
|  EMP |  |   |  |  |  |   |   |  |
|  |  FPM IW 11 April                  |  FPM IW 08 May |  FPM IW 05 June   |  FPM IW 03 July |  FPM IW 20 August                 |  FPM IW 11 September |  FPM IW 09 October |  FPM IW 06 November |



# Contact Information

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