BP_SO_13.2 Long-Term NTC Change

Business Process

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EirGrid GROUP

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Contents

1. Assumptions

Assumptions made during the design of this process include:

- This is an all-island process, meaning the same process will be used across both jurisdictions on the island, Ireland and Northern Ireland. It will be executable from both Dublin and Belfast;
- Pending agreed changes to the SEM-GB capacity calculation arrangements, the proposed solution as outlined in the 'Interim Coordinated Capacity Calculation Arrangements on the SEM-GB Border' is the approved approach to managing coordinated capacity calculation; and
- The existing Interconnector Operating Protocol for any of the SEM-GB interconnectors and the EirGrid/SONI Planned Outage Coordination process will be used to set the level of NTC of the aforementioned interconnectors.

2. Process references

2.1. Related rules references

The following table provides references to the documents that govern the design of this business process.

Document Title	Relevant Section	Description
Commission Regulation (EU) 2015/1222 of 24 July 2015 on establishing a guideline on capacity allocation and congestion management (CACM)	All	The Regulation establishing a guideline on Capacity Allocation and Congestion Management (CACM) entered into force on 15 August 2015. The provisions of CACM govern the establishment of cross-border EU electricity markets in the day-ahead and intraday timeframes, as well as methods for the calculation of interconnection capacity.
Commission Implementing Regulation (EU) 2021/280 of 22 February 2021 amending Regulations (EU) 2015/1222	All	Amends several existing regulations to align them with Regulation (EU) 2019/943. The alignment aims to enhance market integration, non-discrimination, effective competition, and overall functioning of the electricity market within the European Union.
Commission Regulation (EU) 2016/1719 of 26 September 2016 on establishing a guideline on forward capacity allocation (FCA),	All	The Regulation establishing a guideline on forward capacity allocation (FCA) entered into force on 17 October 2016. The provisions of FCA establish a framework for the calculation and allocation of interconnection capacity, and for cross-border trading, in forward markets (i.e. timeframes longer than day-ahead).
Day-Ahead Interconnector Net Transfer Capacity Procedure	Outlines methodology	This document describes the process by which EirGrid and SONI calculate and apply day-ahead adequacy-based Net Transfer Capacity (NTC) limits on interconnectors between the islands of Ireland and Great Britain.
SEM Committee Decision Paper dated 28 March 2024 (ref: SEM-24-025) entitled "Compensation Arrangements for Net Transfer Capacity Reductions")	All	The purpose of this decision is to provide clarity to all stakeholders on the forward-looking compensation arrangements in the SEM for Moyle, EWIC, Greenlink and any future SEM-GB interconnectors following the reduction of NTC.

Interim Cross Zonal TSO Arrangements for GB-ISEM go-live - 2017	All	The cross zonal TSO arrangements refer to the process and methodology for TSOs to determine the interconnector capacity available to be allocated by the day-ahead and intra-day market coupling process. While the Regulatory Authorities (RAs) in February 2023 that the ICZA would apply to Greenlink and future SEM-GB interconnectors – notwithstanding the possibility of future policy developments that may supersede the ICZA – this excluded the provisions relating to compensation arrangements in the case of a reduction of NTC.
Interconnector Operating Protocol	All	The protocol operates as a common point of reference for the interconnector owner, EirGrid/SONI and NESO in relation to the operation of each SEM-GB Interconnector, covering the following areas: outage planning, day ahead user data and transfer programme agreement, real time operation and post event review and general management.

2.2. Related documents

The following table provides a list of documents that are related to this business process.

Document Title	Relationship	Description
Balancing Market Principles Statement	Information	Public guide to the scheduling and dispatch process which describes the cross zonal arrangements.

3. Process context

3.1. Business model relationship

The 'Long-Term Net Transfer Capacity Change' process sits within 'Cross Zonal Capacity' process group within the Systems Operator processes. This process group is required to meet EirGrid/SONI's obligations under the network codes governing all cross-border electricity market transactions and system operations.

3.2. Background and scope

Background

The following regulation outline specific requirements and obligations on TSOs in relation to Europe's cross-border electricity networks:

1. Commission Regulation (EU) 2015/1222 of 24 July 2015 on establishing a guideline on capacity allocation and congestion management (CACM) which sets requirements to:
    - Develop a common capacity calculation methodology,
    - The capacity calculation methodology will include details of any allocation constraints,
    - Establish a Coordinated Capacity Calculator,
    - Establish a common Coordinated Redispatching and Countertrading Methodology.
2. Commission Regulation (EU) 2016/1719 of 26 September 2016 on establishing a guideline on forward capacity allocation (FCA) which sets requirements to:
    - Develop a common capacity calculation methodology for long-term allocations,
    - Use the Coordinated Capacity Calculator established under CACM,

- Develop a methodology for splitting long-term cross-zonal capacity.

3. Commission Implementing Regulation (EU) 2021/280 outlines several key amendments to existing regulations to align them with Regulation (EU) 2019/943 on the internal market for electricity. Here are the main points:
    - Harmonization of Rules, ensuring a more integrated and efficient electricity market.
    - Enhanced Role of ACER.
    - Market Integration and Non-Discrimination, ensuring that the TCMs contribute to market integration, non-discrimination, effective competition, and the proper functioning of the electricity market.

These amendments are designed to support the ongoing development of a unified and competitive electricity market in the EU.

Scope

The scope of this process, Long-Term Net Transfer Capacity Change, covers how changes to the NTC calculated for the year ahead as part of the Coordinated Capacity Calculation process are managed and updated for any non-firm market periods. Changes via this process will be accepted up to sixty minutes before IDA1 Gate Closure (16:30 local time D-1) for the first twelve hours of trading day D and up to sixty minutes before IDA2 Gate Closure (07:00 local time D) for the last twelve hours of trading day D. This allows thirty minutes to implement the process ahead of the ATC Gate Closures for IDA1 and IDA2 respectively. After these timeframes, changes to NTC are a Real Time process, and updates are made by the Control Centre.

Prior to Real Time, Back Offices will perform studies on an ongoing basis which may identify the need for NTC values set previously for the year need to be changed. Similarly, the Interconnector Owners and NESO may identify reasons for NTC changes; if they do they will send their updated values to EirGrid/SONI. EirGrid/SONI will then update the values in the Interconnector Management Platform (ICMP) which will then recalculate the NTC values and send the updated values to MMS and externally to NESO's systems and EPEX. ICMP will also automatically generate an email and send it to JAO (Joint Allocation Office).

4. Process objective

The objective of this Business Process is to meet the following obligations under the EirGrid and SONI Grid Code, namely:

- Commission Regulation (EU) 2015/1222 of 24 July 2015 on establishing a guideline on capacity allocation and congestion management (CACM);
- Commission Regulation (EU) 2016/1719 of 26 September 2016 on establishing a guideline on forward capacity allocation (FCA); and
- Commission Implementing Regulation (EU) 2021/280 outlines several key amendments to existing regulations to align them with Regulation (EU) 2019/943 on the internal market for electricity.
- The objective of this process is also to ensure there is a means by which NTC values can be updated for any non-firm market periods.

5. Roles and responsibilities

5.1. EirGrid/SONI

The following table provides a summary of the obligations of EirGrid & SONI's in relation to this process.

Function	Responsibility in relation to process	Timeline Associated
Back Offices	• Perform NTC analysis • Identify if NTC changes are required	As required up to sixty minutes before IDA1 Gate Closure for the first twelve hours of a trading day and up to sixty minutes before IDA2 Gate Closure for the last twelve hours of a trading day.
Trading	• Input updated NTC values into ICMP and select reason code if reduction	As required.

5.2. Interconnector owners

The following table provides a summary of the obligations of the Interconnector Owners in relation to this process.

	Responsibility in relation to process	Timeline Associated
Interconnector Owners	• Perform NTC analysis • Identify if NTC changes are required • Send NTC updates and reason to EirGrid/SONI	As required up to sixty minutes before IDA1 Gate Closure for the first twelve hours of a trading day and up to sixty minutes before IDA2 Gate Closure for the last twelve hours of a trading day.

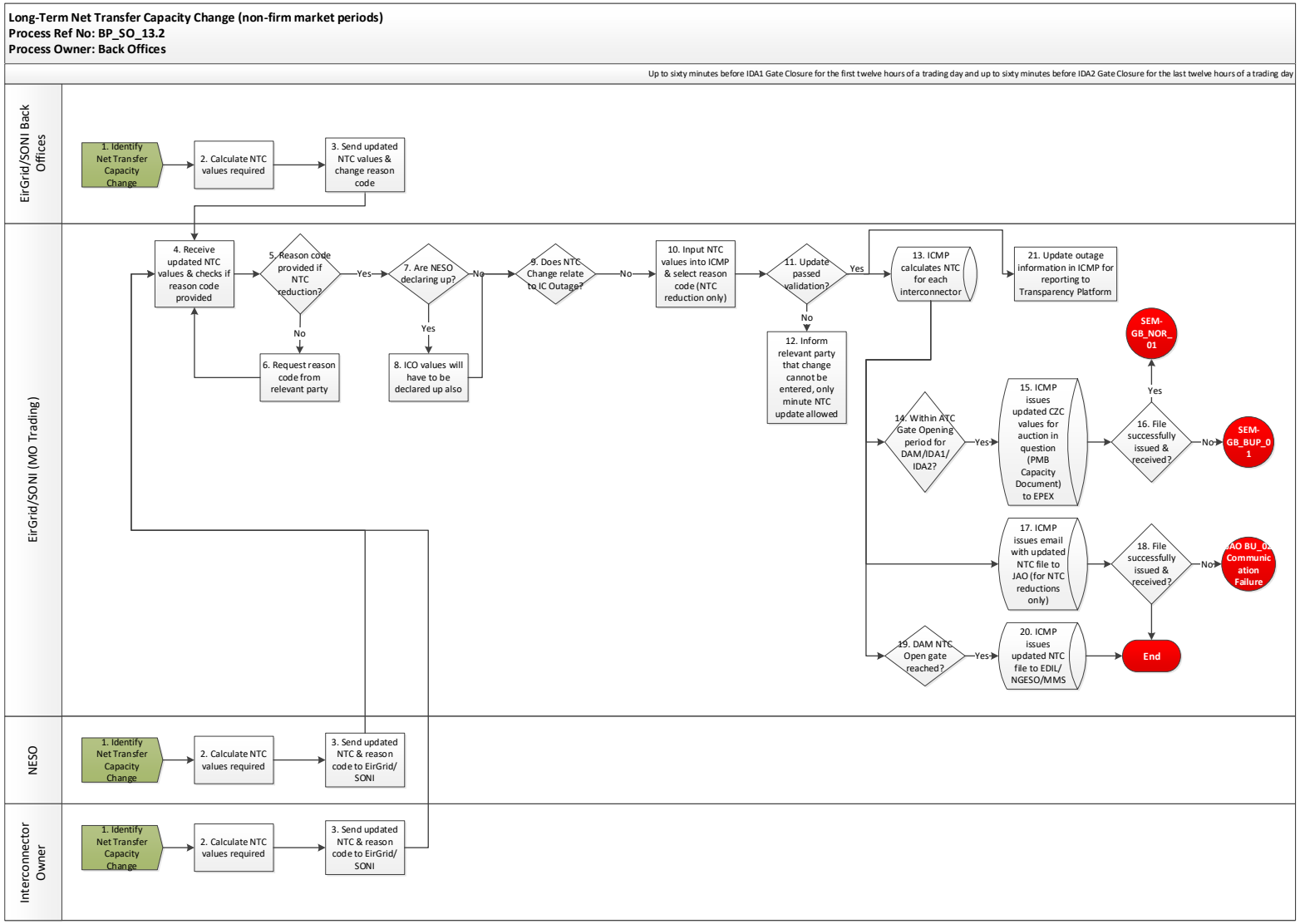
5.3. NESO

The following table provides a summary of the obligations of National Energy System Operator (NESO) in relation to this process.

	Responsibility in relation to process	Timeline Associated
NESO	• Perform NTC analysis • Identify if NTC changes are required • Send NTC change updates and reason to EirGrid/SONI	As required up to sixty minutes before IDA1 Gate Closure for the first twelve hours of a trading day and up to sixty minutes before IDA2 Gate Closure for the last twelve hours of a trading day.

6. Process description

6.1. Process map



6.2. Process steps

#	Step	Step Description	Responsible Role	Outputs	Indicative Timing/ Frequency	System
1	Identify Net Transfer Capacity Change	Back Offices, the Interconnector Owners or NESO may identify any NTC change.	Back Offices/ Interconnector Owners/ NESO	N/A	As required up to sixty minutes before IDA1 Gate Closure for the first twelve hours of a trading day and up to sixty minutes before IDA2 Gate Closure for the last twelve hours of a trading day.	N/A
2	Calculate NTC values required	Calculate NTC values required based on analysis.	Back Offices/ Interconnector Owners/ NESO	Updated NTC values	As required up to sixty minutes before IDA1 Gate Closure for the first twelve hours of a trading day and up to sixty minutes before IDA2 Gate Closure for the last twelve hours of a trading day.	N/A

#	Step	Step Description	Responsible Role	Outputs	Indicative Timing/ Frequency	System
3	Send updated NTC values & change reason code	Once an NTC value has been calculated it needs to be sent to the EirGrid/SONI Market Operations Trading team to enter into ICMP with the associated reason code, if NTC reduction. Send updated NTC values & change reason code, if NTC reduction.	Back Offices/ Interconnector Owners/ NESO	N/A	As required up to sixty minutes before IDA1 Gate Closure for the first twelve hours of a trading day and up to sixty minutes before IDA2 Gate Closure for the last twelve hours of a trading day.	N/A
4	Receive updated NTC values & checks if change reason code provided	EirGrid/SONI ICMP User will receive updated NTC values and must check to see if change reason code has been provided (for reduction only).	EirGrid/SONI Market Operations Trading	N/A	As required up to sixty minutes before IDA1 Gate Closure for the first twelve hours of a trading day and up to sixty minutes before IDA2 Gate Closure for the last twelve hours of a trading day.	N/A

#	Step	Step Description	Responsible Role	Outputs	Indicative Timing/ Frequency	System
5	Reason code provided if NTC reduction?	Reason code provided if NTC reduction? If the reason code has not been provided and NTC reduction, go to step 6. If the reason code has been provided or NTC increase, go to step 7.	EirGrid/SONI Market Operations Trading	N/A		N/A
6	Request reason code from relevant party	If the associated reason code has not been provided, they must request reason code from relevant party before proceeding with the process.	EirGrid/SONI Market Operations Trading	N/A		N/A
7	Are NESO declaring up?	Are NESO declaring up? If yes go to step 8. If no go to step 9.	EirGrid/SONI Market Operations Trading	N/A		N/A
8	ICO values will have to be declared up also	If NESO are declaring the NTC values for up, the ICO values will also have to be declared up in ICMP.	EirGrid/SONI Market Operations Trading	N/A		N/A
9	Does NTC Change relate to IC Outage?	Does NTC Change relate to IC Outage? If yes go to step 10. If no go to step 11.	EirGrid/SONI Market Operations Trading	N/A		N/A

#	Step	Step Description	Responsible Role	Outputs	Indicative Timing/ Frequency	System
10	Input NTC values into ICMP & select reason code	Once all information is available the User can input NTC values into ICMP & select the reason code (NTC reduction only) provided by the party requesting the change.	EirGrid/SONI Market Operations Trading	N/A		ICMP
11	Update passed validation?	Once an update is input into the system, ICMP will perform a validation to ensure it is feasible. If the update is accepted, process will continue to step 13. If the update is rejected, go to step 12.	EirGrid/SONI Market Operations Trading	N/A		N/A
12	Inform relevant party that change cannot be entered, only minute NTC update allowed	If the update is rejected, the relevant party should be informed.	EirGrid/SONI Market Operations Trading	N/A		N/A
13	ICMP calculates NTC for each interconnector	ICMP will then automatically recalculate NTC for each interconnector.	System step	Update NTC values in ICMP		ICMP
14	Within ATC Gate Opening period for DAM/IDA1/IDA2?	Within ATC Gate Opening period for DAM/ IDA1/ IDA2? If yes go to step 15. If no process ends.	System step	N/A		ICMP

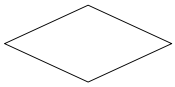
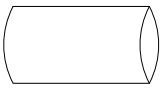
#	Step	Step Description	Responsible Role	Outputs	Indicative Timing/ Frequency	System
15	ICMP issues updated CZC values for auction in question (PMB Capacity Document) to EPEX	ICMP issues updated CZC values for auction in question (PMB Capacity Document) to EPEX. ICMP will issue the PMB Capacity Document, which includes the ATC values, to EPEX during the ATC Gate Opening periods for the Day Ahead and Intraday Auctions. The gate opening and closing times for each auction will be configured in the system and the system will automatically send the file during this period or resend it if the ATC values are updated during this period. If the ATC values are updated prior to the gates opening the file will not be issued until that time is reached.	System step	PMB Capacity Document (including NTC values sent to EPEX		ICMP
16	File successfully issued & received?	File successfully issued, received by EPEX and EPEX satisfied with file contents? If yes, the normal SEM-GB process for sending Cross Zonal Capacities is followed. If no, the SEM-GB Back-up procedure for sending Cross Zonal Capacities must be followed.	System step	N/A		ICMP

#	Step	Step Description	Responsible Role	Outputs	Indicative Timing/ Frequency	System
17	ICMP issues email with updated NTC file to JAO (for NTC reductions only)	If an NTC reduction is entered and saved before the DAM ATC gate closure has been reached, an e-mail will be automatically sent to JAO containing an attachment file providing the DAM ATC gate closure has not passed. The attachment file will contain all NTC updates and reason codes contained in the range. Note, NTC reductions will be only those periods for which an update is entered and the Reason Code field is populated.	System step	NTC File issued		ICMP
18	File successfully issued & received?	A response e-mail containing an XML file should be received after every successful transmission from JAO; user should ensure this has been received. If the acknowledgement email has not been received user should initiate the JAO Communication Failure process to ensure information is sent to JAO.	System step	N/A		ICMP
19	DAM NTC Open gate reached?	DAM NTC Open gate reached? If yes go to step 21. If no process ends.	System step	N/A		ICMP

#	Step	Step Description	Responsible Role	Outputs	Indicative Timing/ Frequency	System
20	ICMP issues updated NTC file to EDIL*/NESO/MMS	If the DAM NTC Open gate opening time (as configured in ICMP) has been reached and a change entered, ICMP issues updated NTC file to EDIL*/NESO/MMS. (*for Greenlink and Moyle, it is not sent to EDIL, only to NESO and MMS)	System step	NTC files sent to EDIL*/NESO/MMS		ICMP
21	Update outage information in ICMP for reporting to Transparency Platform	The interconnector outage information is updated in ICMP for reporting to Transparency Platform This is performed by GDX. It polls ICMP every 30 minutes to check if any new outages have been created. If it finds one, it sends it on to the ENTSO-E Transparency Platform.	EirGrid/SONI Market Operations Trading	N/A	Every 30 minutes	ICMP, GDX

7. Appendices

7.1. Process flowchart key

FLOWCHART KEY	
	Trigger
	Process step
	Process decision / question
	Reference to another process
	Another business process to be implemented following current step (current step is a trigger for another process)
	Process end
	System