



**Response by Energia to EirGrid / SONI
Consultation Paper**

***Balancing Market Principles Statement
Consultation on Revisions***

7th February 2019

1. Introduction

This document sets out Energia's response to the consultation on revisions to the Balancing Market Principles Statement ("BMPS").

Energia welcomes the opportunity to respond to the revisions made to the BMPS and to outline our views in respect of these revisions. Whilst we have outlined our comments to the revisions below we would highlight that further clarity and communication in respect of the BMPS would be beneficial for market participants and in respect of that we would recommend that a workshop on the BMPS should be arranged.

2. Comments on Revisions to the BMPS

Notwithstanding our comments that a workshop would be beneficial in terms of assisting participant understanding of the BMPS, we have outlined below our comments on some of the key areas and changes to the BMPS.

Cross Zonal Actions

Whilst the tracked changes to section 3.4.6 are limited, we are of the view that there is a lack of transparency around the System Operator trading options of Co-ordinated Third Party Trading ("CTPT") and Cross Border Balancing ("CBB"). As outlined in the BMPS, the volumes and prices from any such trading actions will form an input into the scheduling and dispatch process. Accordingly it is important that participants are given an opportunity to fully understand the processes around any such trading activity and that the potential impacts or unintended consequences of any such trading activity are fully considered.

Process Overview

Section 4.1 outlining the process overview of scheduling and dispatch breaks the process down into three main activities – input data processing, scheduling and dispatch. It then states that the processes and tools relative to these remain "*under review*" and that "*these processes are therefore subject to change*".

Such wording leaves the processes behind scheduling and dispatch open to potential change without appropriate communication to market participants. The BMPS should outline definitive processes. Should changes to these processes be required and come into effect, the BMPS should then be updated accordingly to reflect the change and this should be communicated to market participants in a timely manner.

Long Term Schedule

Changes to the timing of the Long-Term Schedule (LTS) as outlined in section 4.3.2 whereby it states that this is a manual process and therefore the timings of the initiation of the run can vary each day are far from ideal. The LTS plays an important

role in the trading activities of a thermal generation plant (e.g. gas trading activities) and therefore the LTS should be run every 4 hours as initially stated and indeed steps should be taken to automate this process where possible.