

	2022/2023	2021/2022	2022/2023	2021/2022
	YTD Outturn (€m)	YTD Outturn (€m)	Q4 Outturn (€m)	Q4 Outturn (€m)
CPREMIUM	243.0	193.9	63.8	35.3
CDISCOUNT	214.6	257.7	51.3	64.8
CABBPO	0.5	0.7	0.1	0.2
CAOPO	-4.0	-6.2	-0.5	-0.7
CTEST	-0.2	0.0	0.0	0.0
CUNIMB	-8.6	-11.7	-1.8	-3.1
CCURL	-6.0	-8.0	-1.5	-0.1
CEADSU	0.0	0.0	0.0	0.0
Dispatch Balancing Costs (DBC)	439.2	426.3	111.3	96.3
Fixed Cost Charges/Payments (CFC)	119.6	96.8	30.1	30.6
Other System Charges (OSC) ^[1]	-5.5	-5.7	-1.4	-1.2
Imperfections Costs Outturn	553.3	517.5	140.0	125.7
Imperfections Costs Forecast	694.2	341.0	89.2	67.7
Variance: Forecast Vs. Outturn ^[2]	-140.9	176.5	50.8	58.1
Variance %	-20.3%	51.7%	57.0%	85.8%

Key Points

- Costs for the 22/23 year are based on actual initial settlement figures. There will be variations in the final year-end figures as a result of resettlement, system defect fixes and Trading and Settlement Code modifications.
- The Imperfections Cost Forecast is profiled based on the RA approved model, which assumed zero payments for OSC.
- The Imperfections Cost Outturn is subject to fluctuation relative to the forecast.
- Costs for the 21/22 year are based on M+4 & M+13 settlement figures were available^[3].
- The variance outlined in the quarterly imperfections cost report is different from the variance relative to the revenue recovered to fund imperfections costs.

Key Factors Affecting Imperfections Costs	Forecast Assumptions for TY2022-23	Actual TY2022-23	Impact ^[9]
Fuel Costs & Carbon ^[4]	Data as per forecast submission	Wholesale fuel prices for the quarter were as follows; Carbon: 9% lower than forecast, Coal: 47% lower than forecast, Gasoil: 8% lower than forecast, Gas: 55% lower than forecast, Oil: 2% lower than forecast. This difference decreased imperfections costs for this period compared to forecast.	↓
T&S Code and System Changes	Data as per forecast submission	No new balancing market modifications, which significantly impact imperfections have been effective in this quarter.	→
Reserve Policy and TCGs ^[5]	TCG data as forecast per submission	There was variation in must run TCGs for system security reasons, which likely has minimal impact on imperfections costs.	→
Reserve Provision	Data as per forecast submission	No changes were made to the reserve provision with respect to the previous quarter and the forecast.	→
Forced Generation Outages	Data as per forecast submission	Forced generation outage rate percentage for the quarter was 19% ^[6] higher than forecast. This has likely increased imperfections costs.	↑
Scheduled Generation Outages	Data as per forecast submission	The scheduled generation outages were lower than the forecast, which has likely decreased imperfections costs.	↓
Forced Transmission Outages	No outages forecast	The unplanned outages have likely increased imperfections costs.	↑
Scheduled Transmission Outages	Data as per forecast submission	The scheduled transmission outages were greater than forecast and likely increased imperfection costs.	↑
Wind Variability	Data as per forecast submission	Installed all-island capacity at end of period: 5877.9 MW ^[7] , which is slightly below forecast. The average wind capacity factor for the quarter was 23%, which is higher than forecast. This net impact is a likely increase in imperfection costs.	↑

Mitigation Measures

The following are a list of mitigation measures undergoing review to seek to increase downward pressure on imperfection costs:

1. Daily review of Non-Compliances / Performance Monitoring events e.g. trips;
2. Weekly review of imperfections costs and drivers;
3. On-going review of Reserve Policy and TCGs;
4. Grid Code/ Trading and Settlement Code review and modifications;

Notes

[1] Includes Other System Charges up to and including Sept 2023.

[2] Positive value indicates outturn is higher than forecast. Negative value indicates outturn is lower than forecast.

[3] M+13 Settlements have been completed up to Week 39 TY 21/22 and M+4 Settlements have been completed for the TY 21/22.

[4] The forecast and actual fuel and carbon costs were based on data taken from Thomson Reuters.

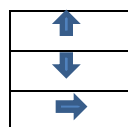
[5] TCGs (Transmission Constraint Groups) or Operational constraints as published on the SEMO website: <https://www.semo.com/publications/tso-responsibilities/>

[6] Calculated from the average monthly all-island forced outage rates for quarter.

[7] The installed wind capacity is the Sept 2023 figure as published on www.eirgridgroup.com and <https://www.soni.ltd.uk>

[8] Values provided in this report are based on best available data at the point of preparation (31 October 2023)

[9] Increase from Forecast



Decrease from Forecast

No Change from Forecast

Component Description

Fixed Cost Charges/Payments: Payments for additional fixed costs incurred, or charges for fixed costs saved from dispatching a unit differently to its market position, if not sufficiently covered through the unit's other payments or charges.

Dispatch Balancing Costs: are made up of the following components;

- **CPREMIUM: Paid when an offer is scheduled in balancing (and delivered) at an offer price above the imbalance settlement price.**
- **CDISCOUNT: Paid when a bid is scheduled in balancing (and delivered) at a bid price below the imbalance settlement price.**
- **CABBPO/ CAOPO: Bid Price Only and Offer Price Only Payments and Charges, adjustment payment or charge to result in net settlement at the offer price for increments, or bid price for decrements, for undo actions on generators.**
- **CCURL: Adjustment payment or charge to result in net settlement at a specific curtailment price for curtailment actions on generators.**
- **CEADSU: Energy payments for DSUs at the times of energy scarcity when imbalance price exceeds the strike price.**
- **CTEST: Charges applied to units under test.**
- **CUNIMB: Charges for imbalances and bids and offers accepted in balancing but not delivered, which were outside of a tolerance. Undelivered quantities are settled at the imbalance settlement price.**