

Sheena Byrne,
Commission for Regulation of Utilities (CRU)
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RE: SEM-20-066 - Consultation on SEM Scheduling and Dispatch Parameters 2021 (“the Consultation”)

16th October 2020

Dear Sheena,

Bord Gáis Energy (**BGE**) welcomes the opportunity to respond to the Consultation on SEM Scheduling and Dispatch Parameters 2021 (SEM-20-066) relating to the proposed values for the Long Notice Adjustment Factor (LNAF) and System Imbalance Flattening Factor (SIFF) for 2021. Overall, we support the proposed “no change” for these parameters at a “zero” level as these will maintain minimal impacts to consumer costs. Additional rationale for our view is outlined below.

1. The proposed values for LNAF and SIFF in 2021

BGE supports the proposed “zero” values for the LNAF and SIFF parameters in 2021 as a continuation of the 2020 approved values that are meeting operational requirements to date. The actions of the TSOs are key to maintaining a secure and stable power system for the SEM while having a sustained focus on minimising costs and charges to consumers. We welcome the analysis by the TSOs demonstrating that they can continue to deliver the objectives of Scheduling and Dispatch from the market design decisions at zero LNAF and SIFF so avoiding increases to dispatch balancing costs. Given the increasing network costs and charges on consumers at present, we support the analysis-based decision not to increase the charges burdened on consumers through these parameters.

2. Constraints

The scheduling and dispatch actions by the TSO are on a network enduring a number of constraints. The constrained nature of the network is a significant long-standing concern of BGE’s from consumer and generation perspectives where the constraints can cause high dispatch balancing costs feeding into consumer charges. As outlined in our response to the Price Review 5 consultation in September 2020, we ask that consideration is given to whether dispatch balancing costs could be calculated for particular constraint areas. The output data will inform a view to establishing the more costly constraint areas which would benefit from a programme of network reinforcements. Constraints costs and constraints volumes by region would be particularly insightful.

I hope you find the above comments and suggestions helpful. If you have any queries thereon please do not hesitate to contact me.

Yours faithfully,

Ian Mullins
Regulatory Affairs – Commercial
Bord Gáis Energy

{By email}