



**Single Electricity Market  
(SEM)**

**Other Systems Charges for 2024/25**

**Decision Paper  
SEM-24-057**

**23 August 2024**

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## GLOSSARY

Abbreviation or Term	Definition or Meaning
CRU	Commission for Regulation of Utilities
DSU	Demand Side Unit
EDIL	Electronic Dispatch Instruction Logger
GPI	Generator Performance Incentive
QFPN	Final Physical Notification Quantity
OSC	Other System Charges
QD	Dispatched Quantity
QM	Metered Quantity
RA	Regulatory Authority
SEM	Single Electricity Market
SND	Short Notice Declaration
TSO	Transmission System Operator
TUoS	Transmission Use of System
UR	Utility Regulator

## 1 INTRODUCTION

All island arrangements for Other System Charges (OSC) were harmonised in Ireland and Northern Ireland in 2010 and are set out in the Transmission Use of System (TUoS) Charging Statements, which are approved by the Regulatory Authorities (RAs).

The arrangements are defined in Ireland and Northern Ireland through:

- The Other System Charges policies;
- The Charging Statements; and
- The Other System Charges Methodology Statement.

This paper sets out the RAs' decision for OSC rates and services/charges for the tariff year 2024/25. The annual review of OSC commenced on 10<sup>th</sup> May 2024 when the TSOs published a consultation paper on proposed OSC rates and services/charges for the tariff year 2024/25. Seven responses to the TSOs consultation paper were received. Following the consultation process, the TSOs submitted a recommendation paper to the RAs which was published on 5<sup>th</sup> July 2024.

Following this, four market participants submitted comments to the Regulatory Authorities raising concerns with the TSOs recommendation paper. The RAs requested further information and engagement with the TSOs to address the concerns raised by participants. This information has been reviewed and considered, alongside the recommendation paper, when coming to a decision.

## 2 OTHER SYSTEMS CHARGES – TSOs RECOMMENDATIONS

The recommendations made in the TSOs OSC Recommendation Paper are summarised as follows:

- Retain the rate of Trip Charges from 2023/24, adjusted for inflation<sup>1</sup>.

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<sup>1</sup> Blended rate of inflation of 1.80625% for 2024/25, as at March 2024, using RA approved methodology.

- Retain the existing rate of Generator Performance Incentive (GPI) Charges from 2023/24, adjusted for inflation.
- Retain the existing rate of Short Notice Declarations (SND) for Conventional Generators and DSUs from 2023/24, adjusted for inflation while lowering the DSU threshold for applicability of this charge from 4MW to 2MW.
- Introduce a Battery Short Notice Declaration (SND) charge from 2024/25.
- Remove the routine reporting of DSU Availability comparisons but retain monitoring and other elements of the performance monitoring process.
- Demand Side Unit (DSU) Generator Performance Incentive (GPI) will remain on hold until directed by RAs.

### 3 SEM COMMITTEE DECISION

The SEM Committee's decision is as follows:

1. The RAs agree with the recommendations from the TSOs.
2. The TSOs have calculated a blended inflation rate of 1.80625% using the most recent financial data as published in March 2024 by the Central Bank (IE) and Office of Budgetary Responsibility (UK). This rate is accepted by the RAs.

The SEM Committee has decided that the OSC rates as set out in Tables 1-3 of this paper will apply for the 2024/25 tariff year.

The TSOs have been instructed to engage with parties affected by the 2MW DSU and Battery SND, to fully explain their threshold recommendations and provide guidance to participants around declarations of availability in order to remain compliant with the new threshold.

**Table 1: Trip Charges**

<b>2024/25 Charge (€/MW)</b>	<b>Units with a QFPN</b>	<b>Units without a QFPN</b>
Direct Trip Charge Rate	€2,460	€4,919
Fast Wind Down Charge Rate	€1,846	€3,689
Slow Wind Down Charge Rate	€1,231	€2,461

**Table 2: Short Notice Declarations**

<b>SND Charge Rate (€/MW)</b>	<b>2024/25</b>
Units with a QFPN	€43
Units without a QFPN	€86

**Table 3: GPIs**

<b>GPI Declaration Based Rates (€/MWh)</b>	<b>2024/25</b>
Minimum Generation	1.47
Reactive Power Leading	0.35
Reactive Power Lagging	0.35
Governor Droop	0.35
Primary Operating Reserve	0.60
Secondary Operating Reserve	0.15
Tertiary Operating Reserve 1	0.15
Tertiary Operating Reserve 2	0.15
Secondary Fuel Availability	0.05
DSU Metering Shortfall <sup>2</sup>	101.81

Event Based GPIs will remain at zero (i.e., Loading Rate, De-Loading Rate, Early Synchronisation, Late Synchronisation, Max Starts in 24-hour period and Minimum On time).

The RAs approve the OSC Rates and Services as set out above. These will apply from 1 October 2024 to 30 September 2025.

<sup>2</sup> The RAs will determine if this GPI requires implementation during 2024/25 and will advise TSOs accordingly.