



***Response to Process for the Calculation of Outturn Availability
Regulatory Authorities Minded to Decision Paper
23rd February 2015***

SEM-15-14

**On behalf of
AES Kilroot Power Ltd and AES Ballylumford Ltd**

9th April 2015

Process for the Calculation of Outturn Availability

Introduction

AES welcomes the publication of the Regulatory Authorities Minded to Decision Paper on the Process for the Calculation of Outturn Availability (SEM-15-14) dated 23rd February 2015 and the opportunity to provide comments on the issues raised. AES would like to submit the following response to the Regulatory Authorities on their decision paper.

AES is a global energy company with assets in the all island market consisting of coal and gas fired conventional and CCGT plant with additional distillate fired peaking gas turbine plant. AES is a non-vertically integrated independent generator which owns and operates Kilroot and Ballylumford power stations in Northern Ireland with a combination of merchant and contracted base load, mid merit and peaking plant. The responses to this consultation are therefore conditioned by the nature of our current position and portfolio of assets operating in the SEM.

Key Messages.

This response is submitted with reference to the information published in the minded to decision paper and on AESs previous experience of working with the TSO, Transmission Asset Owner and other industry participants in co-ordinating outage scheduling in Northern Ireland.

AES is of the firm belief that, due to the proactive role taken by the TSO in Northern Ireland on co-ordination of outage planning as required by NI Grid Code OC2 Operational Planning, co-ordination of generator and transmission system outages has not been an issue and that there is no justification for the implementation of a minded to decision which has the potential to deem generators are unavailable as a result of transmission system asset unavailability.

AES agrees with the statement in the minded to decision paper that maintaining the current custom and practice (Option 2) presents the optimal solution but notes that existing custom and practice has not been maintained with the introduction of the 5 days loss of availability for transmission system outages.

This minded to decision effectively passes a proportion of the risk of poor transmission asset maintenance from the Transmission Asset Owner to the respective generator which AES views as unwarranted.

AES believes that for the purposes of the calculation of Outturn availability the grid code definition of availability should continue to be used.

Issues Raised

Outage Co-ordination

- Outage Coordination - alignment of TAOs outage requirements for connection equipment maintenance with generators has not been a historical problem in NI due to the TSOs role in outage co-ordination.

NI Grid Code OC2 Section 2.2.1

“The Objective of OC2 is to ensure, as far as possible, that the TSO, in conjunction with the Other TSO, co-ordinates, optimises and approves outages of CDGUs dispatchable WFPSs, controllable WFPSs and Power station equipment, taking into account System Outages on the NI system and the Other Transmission system and the inter-jurisdictional tie line between Northern Ireland and the Republic of Ireland and in order to ensure that, so far as possible, forecast demand plus the margin is met.”

- Generators are required to submit outage plans to the TSO at identified prior notice periods to afford the TSO ample time to ensure efficient planning of generator and transmission asset outages.
- Standard maintenance outages for connection assets owned by generators are taken in line with minor and major overhauls in the published outage plan. In Northern Ireland experience has been that the Transmission Asset owner organise their connection assets maintenance cycles normally to coincide with the relevant generator’s outage to ensure efficient availability of the transmission system and generators.
- AES is therefore of the view that the modification to Option 2 in the consultation paper i.e. the addition of the 5 days possible loss of availability is not required and has the potential to unfairly penalise generators.
- AES agrees with the statement in the minded to decision paper that maintaining the current custom and practice presents the optimal solution but notes that existing custom and practice has not been maintained with the introduction of the 5 days loss of availability for transmission system outages.

Asset Ownership

- Responsibility for availability of an asset rests with the asset owner and with a boundary of responsibility identified as the connection point for each connection. This is clearly defined in the site responsibility schedule required under NI Grid Code CCA – Appendix 1
- This clearly identifies the persons responsible for maintenance on the respective assets and ensuring its availability i.e. generator for connection equipment on their side of the boundary and Transmission Asset Owners on their side.
- This minded to decision effectively passes a proportion of the risk of poor transmission asset maintenance from the Transmission Asset Owner to the respective generator.

Availability Definitions.

- Difference between technical availability and “market” availability is down to the availability of the network beyond the generators connection point which is not in the control of the generator. If the generator is available to deliver power to the connection point but cannot export due to grid issues beyond the connection point then the generator is technically available.

- AES accepts that at present the definitions of availability and outturn availability in the NI Grid Code and the Trading and Settlement Code do not align and would agree that these require further consideration at the grid code review panels. However for the purposes of the calculation of Outturn availability the grid code definition of availability should continue to be used.
- Whilst AES agrees with the minded to decision on no changes to existing arrangements for legacy connected units AES does not agree with the decision to allow a loss of generator outturn availability for 5 days for TAO equipment outages on new connection generators.
- AES views that there are already suitable requirements placed on SONI in NI Grid code to co-ordinate outages with generators and Transmission Asset Owners however there are less commercial incentives on the TAO to co-ordinate.

TSC Availability Definitions

Availability means a Generator Unit's capability in MW to deliver Active Power or a Demand Side Unit's capability of reducing the Active Power consumed on the Trading Site.

Outturn Availability means the set of Availability data for a Generator Unit provided for a previous Trading Day submitted in accordance with paragraph 4.48.

NI Grid Code

Availability In respect of any period (and, in the case of a **PPA CDGU**, in relation to a **Designated Fuel** and, in the case of a **CDGU** other than a **PPA CDGU**, in relation to a fuel), shall mean:

(a) for any **CDGU, Controllable WFPS or Dispatchable WFPS** the figure (expressed in **MW** as at the **Connection Point** and at the direct connection with the **Distribution System**) stated in accordance with SDC1.4.1.1(a) to be the capability of the **CDGU, Controllable WFPS or Dispatchable WFPS** to generate electricity during that period. In relation to all **CDGUs** including an **Open Cycle Gas Turbine CDGU** and/or a **CCGT Installation**, the **Availability** declared by a **Generator** shall correspond to the maximum generation of electricity which that **Generator's CDGU** can achieve during that period. In relation to all **CDGUs**, the **Availability** declared by a **Generator** shall correspond to the level of generation of electricity up to and including the **Contracted Capacity** (for **PPA CDGUs** other than **PPA Open Cycle Gas Turbines**) or **Contracted Capacity (Peak)** (for **PPA Open Cycle Gas Turbines**) or **Registered Capacity** (for non-PPA plant) which that **CDGU** can achieve during that period;