Brookfield

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Regarding: Brookfield Renewable Response to the Minded to Decision Paper on the Process for the Calculation of Outturn Availability

Dear Robert, Brian,

Brookfield Renewable welcome the opportunity to respond to the Minded to Decision Paper on the Process for the Calculation of Outturn Availability, published after an extremely lengthy consultation period originally dating back to June 2011. In our view, the ambiguous treatment of this issue over the past number of years has presented challenges in terms of effectively managing our generation assets and we welcome clarity both on the treatment of Outturn Availability and on the roles of all stakeholders in the Outage Planning process.

Summary of Position

The proposed decision is an improvement on the current treatment of Outturn Availability in RoI. It provides a cap (and certainty) on the level of constraints for which firm generators will not be compensated for. By replacing the ambiguous 'custom and practice', it provides more clarity on the length of annual O & M for connection assets and a greater incentive for TSOs to minimise their duration (at least to 5 business days). However, we believe that the proposed decision does not go far enough as it still does not set 'market' outturn availability at a generators technical availability in all instances of network outages. We urge the RA's to reconsider their proposed decision to accept "Option 2" where Outturn Availability is set to the technical availability of a generation unit for all network outages. Further, Outturn Availability is a feature of the current SEM market design and will require further review as part of the I-SEM market design process.

Brookfield Renewable welcomes the proposed reforms to the outage planning process. The proposed forum introduces a voice for generators into the transmission planning process. The proposed document detailing the various types of annual maintenance and estimated timescales for each type of maintenance and the ex-post report introduces transparency and accountability to the outage planning process.

Outturn Availability

We support the proposed decision by the RAs to reject a bridging document proposed by TSOs that aimed to clarify the link between "available" as defined in the Grid Code and "outturn available" in the Trading and Settlement Code, In our view any issues with regards to the definition of Outturn Availability should be addressed through code modifications of the Trading and Settlement Code.

The RA's have proposed that for all other generators (RoI and "new") where the connection assets are owned by the TAO, the generator will be considered outturn available for all outages with the exception of scheduled annual maintenance outages **lasting up to five business days inclusive or less per outage season**. If annual maintenance outages last beyond five business days a generators outturn availability is restored to its technical availability.

Notwithstanding our stated position that Outturn Availability should be set at a generators technical availability in all instances of network outages, we have the following comments on the proposed 5 day cap on uncompensated network maintenance outages. Firstly, no rationale was provided why 5 days was chosen as the duration of uncompensated network maintenance outages aside from the statement

that it covers the majority of outages. In the interests of transparency international benchmarks are sought to justify this number.

While we recognise that the introduction of this 5 day cap does give the TSO an incentive to manage and control outages that is currently missing, we believe that the RA's must ensure that the TSO/TAO are not now incentivised to use the 5 days of outages without compensation as a standard and are still incentivised to minimise outage duration. A 5 day outage reduces a generators availability by 1.36% which has a substantial commercial impact for generators purely to facilitate the preventative maintenance of connection assets. We reiterate the need for international benchmarks to be used to justify this number.

Clarity is also sought on the duration in terms of counting 'business days'. Technically a 5 business day limit could last for more than 10 calendar days if done consecutively after a bank holiday weekend. If the cap on the duration of annual maintenance is 5 business days then does that mean annual maintenance only takes place on business days and cannot take place on week-ends? Brookfield question why the duration cannot be set at calendar days as opposed to business days?

The TSO's joint recommendations include proposals to define a generators connection assets in their connection agreement. We would welcome this proposal provided the Standard Maintenance Outage Cycle was also included, along with standard outage durations.

Outage Planning

Brookfield Renewable welcome the proposals put forward to reform the current outage planning process which recognises some of the issues that generators have been facing in terms of adequate notification, transparency and the need for communication.

We agree with the principle that the operation, maintenance and development of the network must be undertaken efficiently with the principle of value for money for all users of the network and this must be adhered to so that the impact on all network users and not least the commercial impact on generators is considered in the outage planning process.

The **establishment of a forum** that contains representatives from all parties effected by outages is welcomed as it provides a voice for key stakeholders in the outage planning process that is currently absent and will increase the transparency of the process and the issues that must be overcome. The forum will only be effective if its purpose is clear and it is effectively managed by the RA's. The forum must enable detailed discussion to take place on the precise nature of the planned outages, their duration and the detailed planned works so that stakeholders can understand why outage planning decisions are being made. In the event of a disagreement an appropriate appeals mechanism is needed with the regulator as the final arbiter.

A document, detailing the various types of annual maintenance and estimated timescales for each type of maintenance, produced by the relevant party in each jurisdiction is also welcomed. However, we would caution that for this document to provide any comfort to stakeholders, it contain the relevant level of detail on the maintenance required for the various types of connection assets (transformers, overhead and underground lines etc.) and should be agreed with stakeholders. The level of detail in the current document[1] is intended to be a high level guide to the types of maintenance required but does not have specific durations and as such does not provide stakeholders with any confidence as to the likely duration of network maintenance outages.

Brookfield Renewable also welcome **the publication of an Ex-Post summary report of the outage schedule** at the end of each outage season that details all works carried out over the period. The outage time for each of the works will be identified and compared against the pre-determined targets agreed between the parties and communicated in the outage plan. This review should be in the form of a public document. The publication of an ex-post report will provide transparency and accountability for

[1] http://www.eirgrid.com/media/GuidetoEirGridTranmissionEquipmentMaintenanceSept2013.pdf

planned outages. The logical next step beyond reporting on the performance of the TSO and TAO against their outage plans is to introduce commercial incentives for them to deliver against their outage plans and we would encourage the RA's to consider the introduction of such a targeted incentive mechanism.

Extensions to or changes at existing connections

We accept that where maintenance work is being carried out that is related to an **existing generator, Outturn Availability should equal zero** and where work is being carried out to another generator (with a different connection point but a shared asset) then Outturn Availability will equal that of the generator's technical availability. However, clarity is sought around the definition of a connection asset where the maintenance of connection assets should only mean the maintenance of a generators **shallow** connection assets and not maintenance to any deep reinforcements. Also, clarity is required around the treatment of shared connection assets around who the outage will apply to within the group of generators sharing the connection assets.

Further Comments

The TSOs made a joint recommendation that connection assets be defined in the connection agreement to provide clarity around the separation of a generators distinct connection assets from the meshed network, allowing for re-definition if the connection assets change. The definition of the connection assets in the connection agreement should go beyond this recommendation and also include the Standard Maintenance Outage Cycle, including standard duration of maintenance works within the connection agreement. Instead of the generic 5 days proposed by the RAs, theses outage durations could be used to defined the annual period where a generators Outturn Availability would be set a zero, as per the proposed decision.

We have a major concern that the proposed decision does not specifically address distribution connected generators. Currently, 63% of wind generators are connected to the transmission network through the distribution network and if contracted and planned generation is included this figure still remains at 60%. No guidance has been provided in the proposed decision as to the treatment of distribution network outages despite the fact that in the Trading and Settlement Code no distinction is made between transmission and distribution outages. Formal rules are needed to ensure that distribution connection generators are treated in the same manner as transmission connected generators.

Conclusion

In conclusion, Brookfield Renewable believe that the proposed decision offers an improvement on the status quo by providing certainty on the level of constraints for which firm generators will not be compensated for. However we believe that it does not go far enough and that the technical availability of generators should be recognised as its 'market' outturn availability in all instances of network outages. We believe that this option is least cost to consumers and enables the TSO and TAO to be incentivised to minimise network outage costs. Brookfield Renewable welcome the proposals for reform of the Outage Planning process both in terms of additional engagement and greater transparency and look forward to engaging with the TSO and TAO. Finally, we request that in the final decision the SEMC address existing ambiguity around the treatment of generators connected through the distribution network.

Regards,

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