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**9<sup>th</sup> April 2015**

Brian Mulhern,  
Market Monitoring and Wholesale Operations,  
NIAUR,  
Queens House,  
14 Queen Street,  
Belfast BT1 6ED.

Robert O'Rourke,  
Commission for Energy Regulation,  
The Exchange,  
Belgard Square North,  
Tallaght,  
Dublin 24.

**RE: SEM 15-14: Minded to Decision for the process of calculating Outturn Availability**

Dear Brian,  
Dear Robert,

EAI welcomes the opportunity to comment on this Minded to Decision of the Regulatory Authorities (RAs) and appreciates the preceding levels of consultation and engagement.

The Association acknowledges the acceptance in principle of the desirability of harmonised arrangements within the SEM area in relation to the calculation of outturn availability and the compromise approach being proposed in this document to move in this direction. While the compromise in terms of principle is recognised, in a more general sense, such compromise does not fully extend to the mechanisms of the proposal - which appear to favour the position of the TSOs/TAO despite the changing requirements of generators.

EAI also wishes to acknowledge the progress that has been made to date in respect of improving the overall efficiency of the outage planning process and the further measures being proposed.

In line with the comments expressed in the consultation document, EAI strongly advocates that any decisions on the matters under consideration be subject to review pending the finalisation of the new trading arrangements. For example, it will be necessary for Planned Outage to be planned prior to capacity reliability option auctions and prior to executing forward contracts for period of the outage, so market participants can manage their commercial risk in I-SEM.

Further to the issues addressed in this proposal, EAI requests that the RAs provide clarification as to the treatment of outages on the distribution network.

## **1. Definition and calculation of Outturn Availability**

EAI reiterates the case for using technical availability in relation to the calculation of outturn availability in the interests of preserving the integrity of the market as an unconstrained market and the principle of firm access. In our opinion, the views of the RAs on Availability and Outturn Availability do not appear to be well supported.

The ‘minded to’ decision undermines the firm access policy in the SEM and exposes participants with firm access to commercial risk during network outages. EAI reiterates concerns that weak incentives on network asset operators to complete work in an efficient and timely manner will ultimately lead to increasing market inefficiencies over time. This is a particular concern as network maintenance currently operates under a markedly different schedule to generator maintenance.

Nonetheless, should both concepts be maintained, EAI agrees with the proposals to modify the Grid and Trading and Settlement Codes so as to improve transparency and consistency. However, EAI would recommend that these modifications be agreed in advance of final implementation of this Decision rather than following its adoption to avoid possible unintended consequences.

Further, EAI is concerned at the provision for a 5 “business day” period for annual connection asset maintenance outages – in particular given the greater uncertainty regarding the timing of generator overhauls as operating hours for conventional plant decrease with increased wind penetration:

- The experience of EAI members indicates that annual outages have generally not extended to 5 days (the consensus view is a median duration of 3 days). If the intention is to incentivise the TSOs to complete maintenance works in a timely manner then the specified timeframe should be based on historic outcomes and the final Decision be revised accordingly. In any event, a requirement to monitor and report the actual completion time for annual outages should be put in place (a binding ex-post outage schedule report) to ensure the incentivisation element of this provision is maintained. “Custom and practice” should not apply in this regard.
- Given maintenance can be performed on a 24/7 basis we see no justification in providing for 8-hour, weekday “business days” and would urge the RAs not to include this relatively artificial limitation.

## **2. Outage Planning**

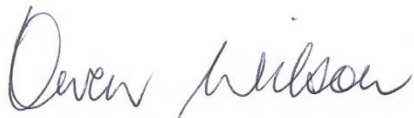
EAI agrees that outage planning should be structured to better align and minimise the duration of any transmission outages. . The recommendations contained in the document to establish a forum on outage planning and prepare ex-post reports are of value in this regard. EAI considers that the management of outages programmes should also be considered in the context of a forum if effective outage planning is to be assured.

The Association suggests that the final Decision should provide for regular review by the RAs of the implementation and effective functioning of the arrangements being recommended.

EAI also proposes that the final Decision be extended and specify that connection agreements contain a specification of the Standard Maintenance Outage Cycle, including the standard duration.

Should you require clarification of any point in the above response please contact Stephen Douglas ([Stephen.douglas@eaireland.com](mailto:Stephen.douglas@eaireland.com) or +353 1 5241045).

Yours sincerely,

A handwritten signature in cursive script that reads "Owen Wilson".

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Owen Wilson  
Chief Executive,  
Electricity Association of Ireland.