



**Single Electricity Market  
(SEM)**

**Other Systems Charges for 2023/24**

**Decision Paper  
SEM-23-057**

**22 August 2023**

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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 2023/24. The annual review of OSC commenced on 12<sup>th</sup> May 2023 when the TSOs published a consultation paper on proposed OSC rates and services/charges for the tariff year 2023/24. Six 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 20<sup>th</sup> July 2023.

## 2 OTHER SYSTEMS CHARGES – TSOs RECOMMENDATIONS

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

1. Retain the OSC charge rates approved for the 2022/23 tariff year, only adjusting for inflation at the blended rate 3.2875% for the tariff year 2023/24.
2. Introduce a Short Notice Declaration (SND) GPI for DSUs from 2023/24 at the same rates applied to other Generators (€42-84/MW). This involves the addition of a 'constant' which sets the DSU SND Threshold at 4MW, in line with minimal DSU MW Capacity and DSU SND Time Zero to 60mins. For clarity, the 4MW threshold applies when a DSU declares down their availability data by 4MW or more within 60-minutes, either in a single instance or in total over multiple instances within the 60-minute period.

3. The TSOs are proposing to only produce quarterly performance reports for units that have a variation the accuracy of availability data in scheduling systems (i.e., MPI Forecast Availability) versus dispatch systems (i.e., EDIL availability), rather than for all DSUs.
4. Potential introduction of a DSU Metering Shortfall GPI at a rate of €100 for each trading period if there is a shortfall between QD and QM greater than 70%. The RAs will determine if this requires implementation during 2023/24 based on quarterly performance monitoring reporting. The methodology for calculating this GPI, alongside some worked examples, are provided below.
  - $DSU\ GPI\_Charge = TP * MW\ Shortfall * DSU\ GPI\_RATE$ , where:
    - DSU GPI\_Charge is the charge for DSU underperformance in the Trading Period x (expressed in € or £)
    - TP is a 0.5-hour Trading Period (expressed in h)
    - MW Shortfall is the variation between Dispatch Quantity and Metered quantity that's outside the 70% limit and (expressed in MW),

DSU GPI\_RATE is the DSU GPI charge rate (expressed in €/MWh or £/MWh; by including TP in the calculation, the charge can be applied to 30min intervals, thereby removing the 'h' expression)

**Table 1: DSU GPI Worked Example**

Unit ID	QD	QM	MW Shortfall	Trading Period	DSU GPI_Charge
Unit1	12MW	7MW	$= (70\% \times 12) - 7$ $= 1.4MW$	30 mins	$= 0.5 * 1.4 * €100 =$ $€70$
Unit2	12MW	9MW	n/a	30 mins	No charge applied

No further changes are recommended for this tariff period.



### 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 3.2875% using the most recent financial data as published in March 2023 by the Central Bank (IE) and Office of Budgetary Responsibility (UK). This rate is accepted by the RAs.

The SEM Committee has decided that OSC rates as set out in the tables below will apply 2023/24 tariff year.

**Table 2: Trip Charges**

2023/24 Charge (€/MW)	Units with a QFPN	Units without a QFPN
Direct Trip Charge Rate	€2,416	€4,832
Fast Wind Down Charge Rate	€1,813	€3,624
Slow Wind Down Charge Rate	€1,209	€2,417

**Table 3: Short Notice Declaration**

SND Charge Rate (€/MW)	2023/24
Units with a QFPN	€42
Units without a QFPN	€84

**Table 4: GPIs**

GPI Declaration Based Rates (€/MWh)	2023/24
Minimum Generation	1.44
Reactive Power Leading	0.34
Reactive Power Lagging	0.34
Governor Droop	0.34
Primary Operating Reserve	0.59
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>1</sup>	100

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 2023 to 30 September 2024.

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<sup>1</sup> The RAs will determine if this GPI requires implementation during 2023/24 based on quarterly performance monitoring reporting.