All interested parties,
stakeholders in Ireland and beyond,
and other regulatory bodies

19 Nov 2018

To whom it may concern,

Approval of EirGrid TSO proposal for the determination of Load Frequency Control (LFC) Blocks in accordance with Article 141(2) of the System Operation Guideline (Commission Regulation EU 2017/1485)

In accordance with Article 141(2) of the Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (System Operation Guideline or SOGL), transmission system operators (TSOs) of a synchronous area are required to develop a common proposal regarding the determination of Load Frequency Control. In September 2018 the relevant Regulatory Authorities (RAs), namely the CRU (Commission of Utility Regulation in Ireland) and UR (Utility Regulator of Northern Ireland) received the TSO's (EirGrid and SONI) amended proposal for the determination of Load Frequency Control Blocks for the Ireland/Northern Ireland Synchronous area.

Background

Following a public consultation (conducted during November 2017 - January 2018) a proposal was jointly submitted by the Irish Transmission System Operator (TSO) EirGrid and the Northern Ireland TSO, SONI, in line with Article 5(1) and Article 6(3) (g) of the SOGL. On 12 January 2018 the CRU received a proposal for the Load Frequency Control Block Structure for the Synchronous Area of Ireland and Northern Ireland. The Load Frequency Control (LFC) Block proposal as submitted on the 12th January outlined the TSOs’ proposal to have one LFC Block, one LFC area and one LFC monitoring area for the synchronous area of Ireland /Northern Ireland (IE/NI).

On 27 June 2018, the RAs issued a request for amendment (RfA) to the TSO in relation to the proposal to have only one monitoring area within the Synchronous Area. The RAs considered that in line with the licensed activities of EirGrid and SONI that their individual responsibilities only extend to full operational monitoring of their respective transmission systems. The RAs recognises that there is currently close coordination between the EirGrid and SONI in monitoring the All-island synchronous area and that this will continue with the implementation of an LFC Block and an LFC Area. However, it is not appropriate for the CRU to grant EirGrid the right to monitor a transmission system within a separately licensed TSO area.

Therefore, in the RfA the RAs indicated that an amendment was required to ensure that the TSOs operate with two monitoring areas, one in Ireland and one in Northern Ireland to align with their respective licence obligations.
Amended LFC Block proposal

In the amended LFC Block proposal version submitted to the CRU on 10 September 2018, the TSOs outlined the amended monitoring area proposal – namely to have two monitoring areas, with each TSO responsible for its respective licensed area, as outlined in the below table.

<table>
<thead>
<tr>
<th>Country</th>
<th>TSO (full company name)</th>
<th>TSO (short name)</th>
<th>Monitoring Area</th>
<th>LFC Area</th>
<th>LFC Block</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ireland</td>
<td>EirGrid</td>
<td>EirGrid</td>
<td>EirGrid</td>
<td>EirGrid + SONI</td>
<td>EirGrid + SONI</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>System Operator for Northern Ireland (SONI)</td>
<td>SONI</td>
<td>SONI</td>
<td>EirGrid + SONI</td>
<td>EirGrid + SONI</td>
</tr>
</tbody>
</table>

Decision

The CRU have reviewed the submitted proposal in line with the requirements of SOGL, the wider objectives of the Regulation (EC) No 714/2009 and our statutory duties and obligations.

As outlined above and as required by Article 6(7) of SOGL, the CRU have closely cooperated and coordinated with the Utility Regulator of Northern Ireland in order to reach agreement on this proposed request for amendment.

The CRU hereby approves the amendment of the LFC Block proposal by EirGrid.

It is also important to note that further details on the coordinated activities and processes of Load Frequency Control including the dimensioning of frequency containment reserve and frequency restoration reserve will be contained in the Synchronous Area Operational Agreement, the LFC Block Operational Agreement between EirGrid and SONI as obliged under various articles of the SOGL. The TSOs have recently consulted on these documents and will submit final versions to the CRU and UR for decision in due course.

If you have any queries regarding the information contained within this letter, please contact mcloonan@cru.ie

Yours sincerely,

John Melvin
Director Energy Markets and EU Network Codes, CRU