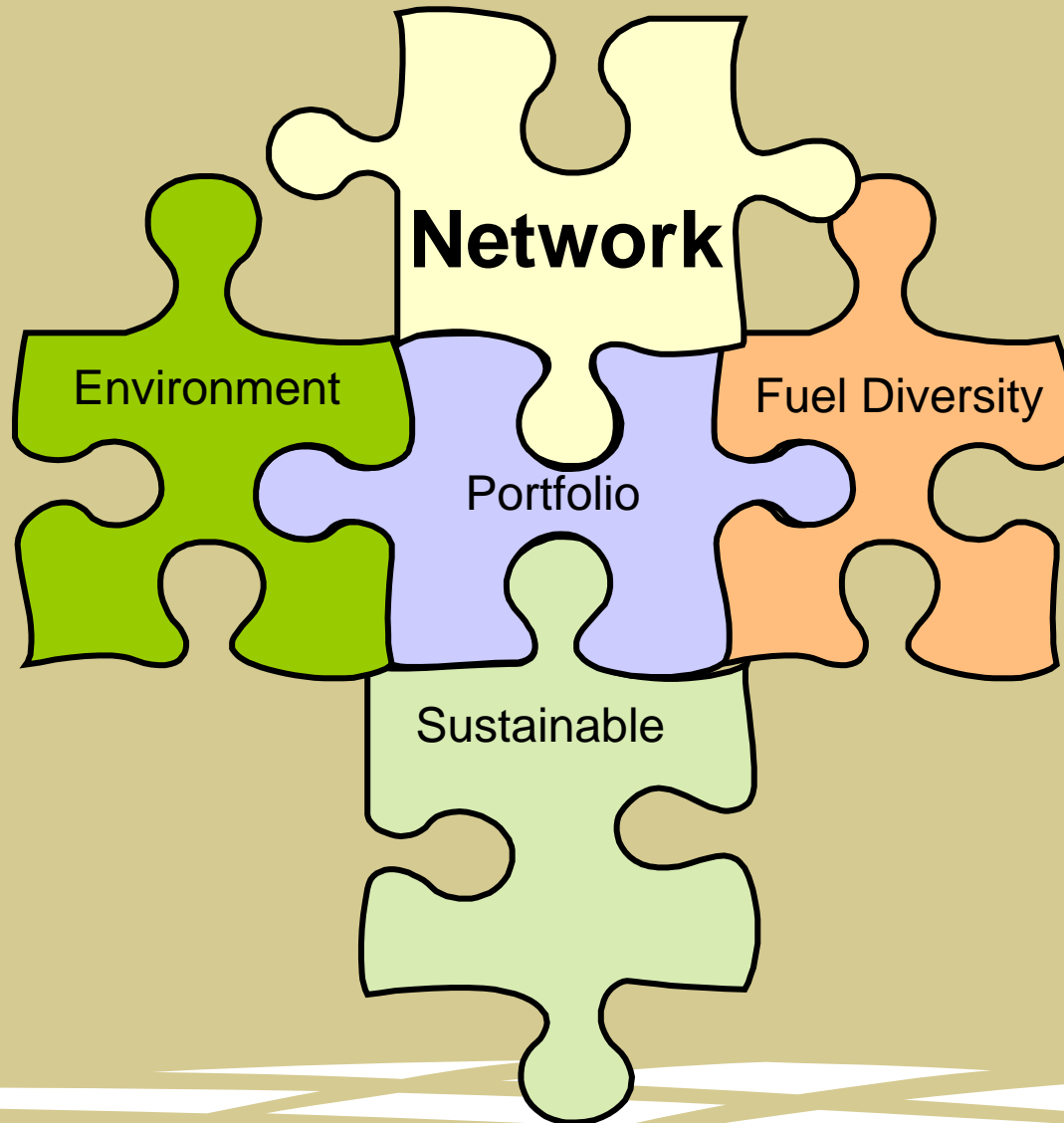


Locational Considerations for Prospective Generators

Timothy Hurley
Commercial & Regulation

EirGrid Annual Conference
Croke Park, 19th Oct 2006

Network Considerations



Agenda

- Locational/Network Considerations
- Trends
 - Past, present
- Current/Future Issues
 - Responsive signals
 - Future studies

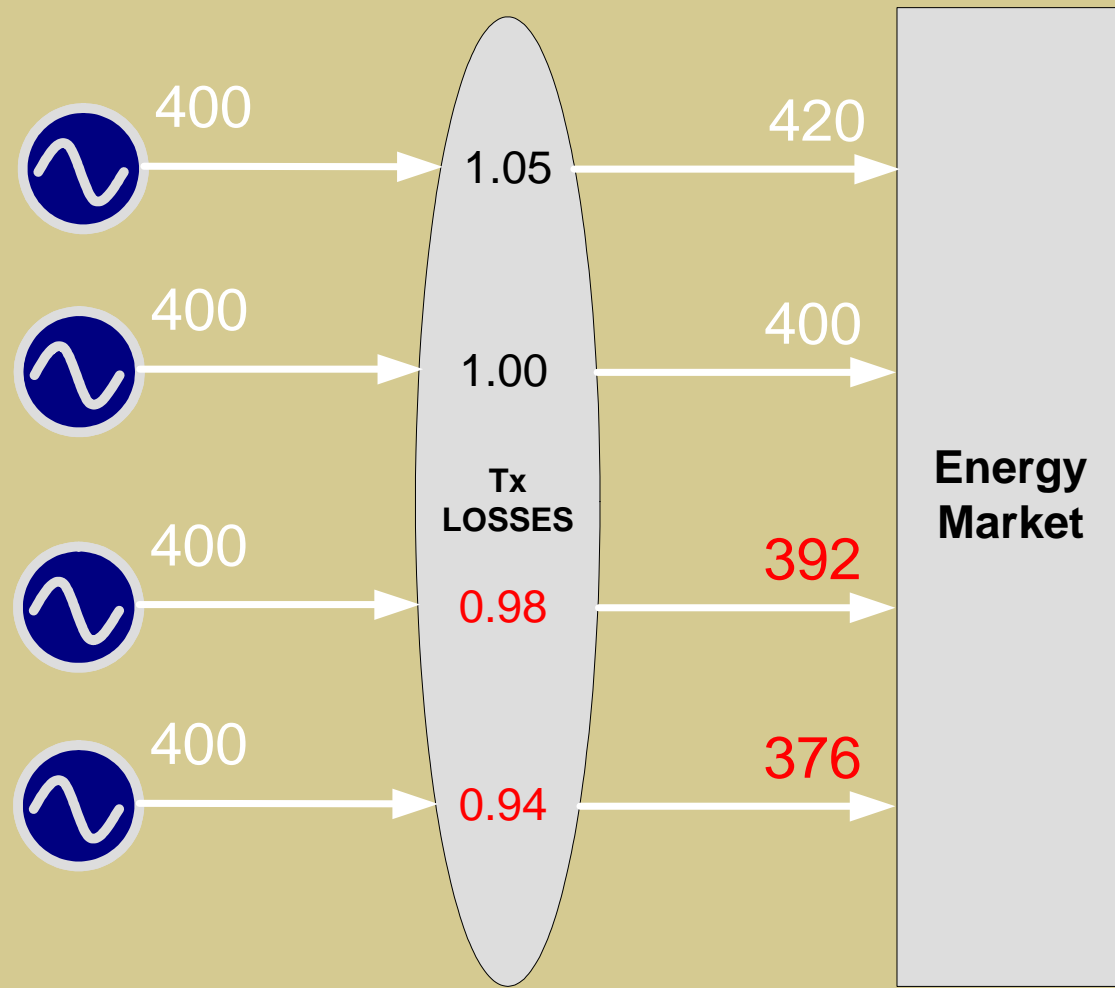
Locational Considerations

- Infrastructure
 - Transmission lines
 - Gas pipelines
 - Ports
 - Sites
- Transmission Access
 - Constraints
- Transmission Loss Adjustment Factors
- Transmission Use of System Tariffs

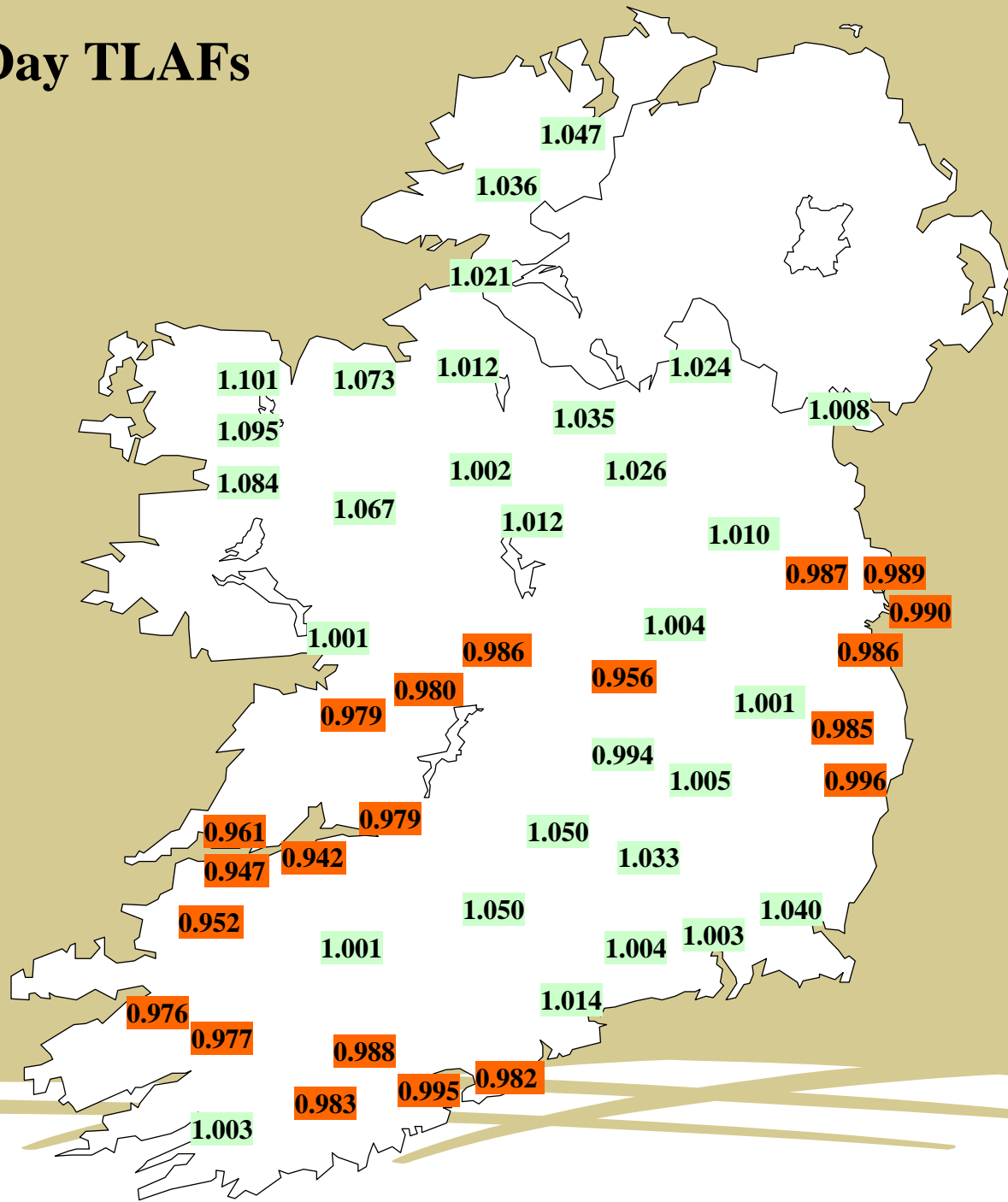
Transmission Loss Factors

- Locational
 - Provide signals to participants
 - Responsive to network/load changes
- Losses are incurred on the transmission system
 - To be accounted for in the energy market
 - To be allocated to both transmission and distribution generators
 - Determined ex-ante
 - 10 loss factors for each generator

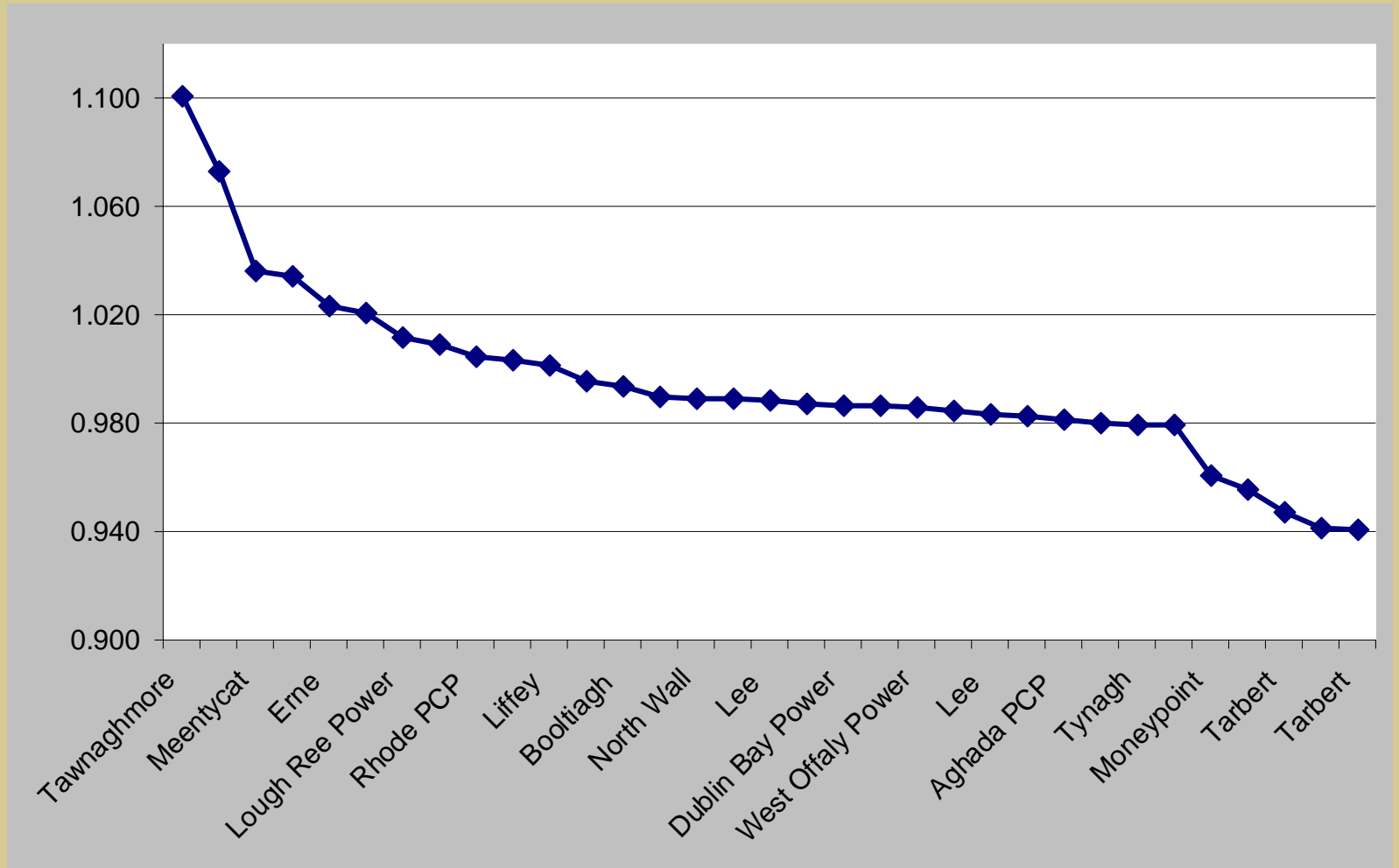
Adjusted tradable quantities



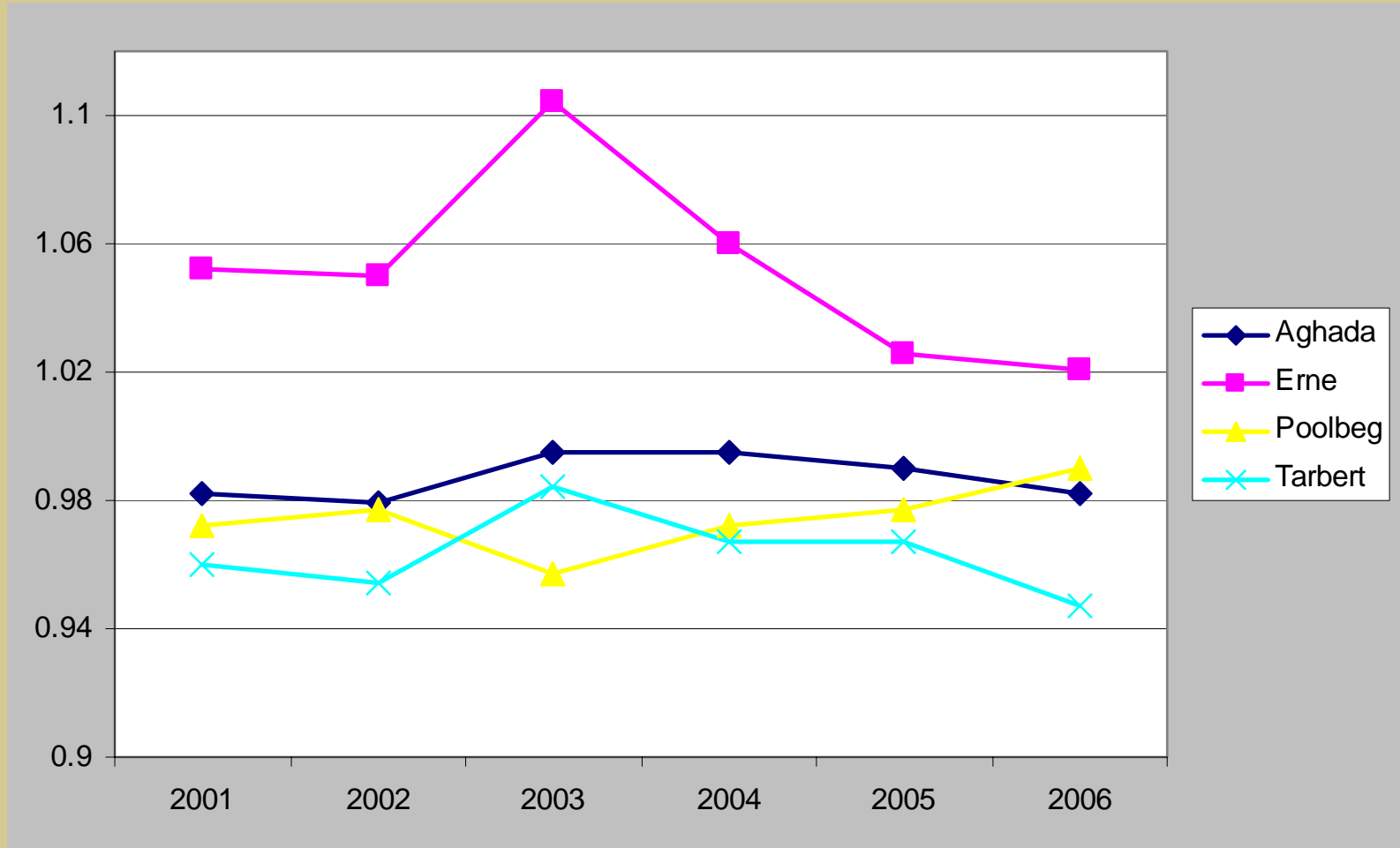
2006 Winter Day TLAFs



TLAFs – 2006 Winter Day



TLAF Trend – 2001 to 2006



Generator TUoS Tariff

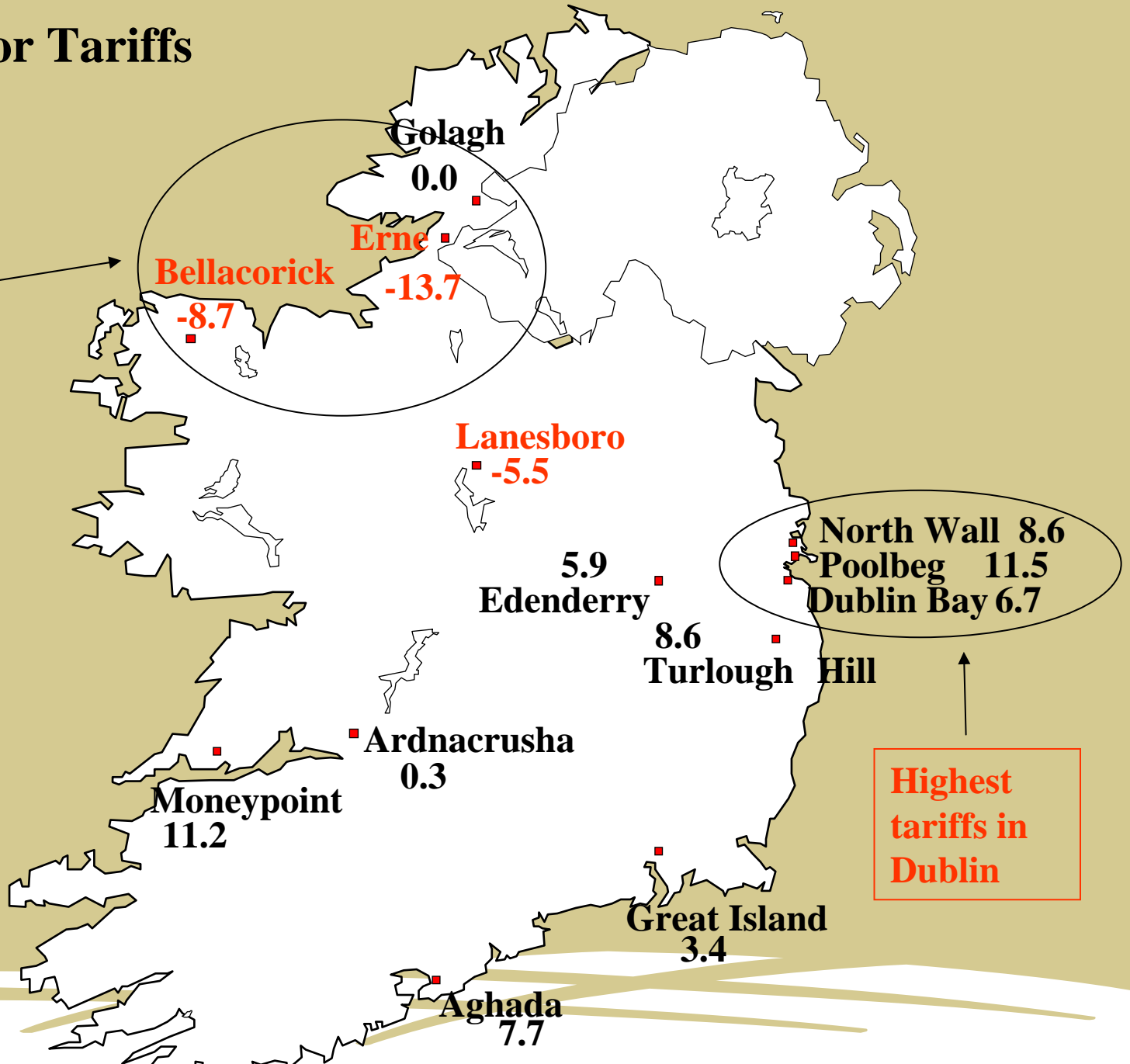
- Locational Tariff
 - Provide signals to participants
 - Responsive to network/load changes
 - Reflects generators use of the network
 - Charged to transmission and distribution generators $\geq 10\text{MW}$
 - Determined ex-ante

2002 Generator Tariffs

€/kW/year

26 Generators

Lowest tariffs
in North West
region



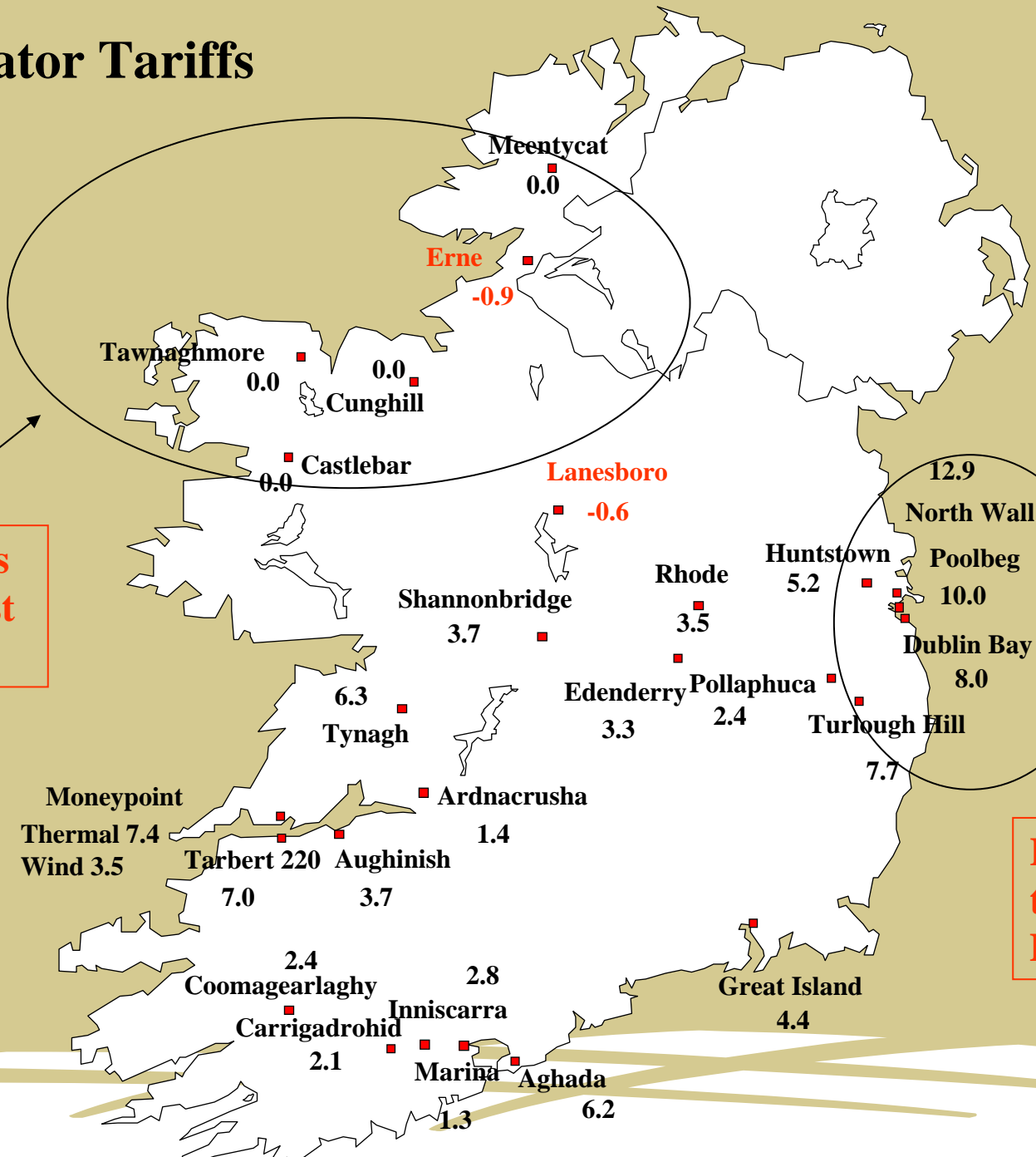
Highest
tariffs in
Dublin



2006 Generator Tariffs

€/kW/year

51 Generators

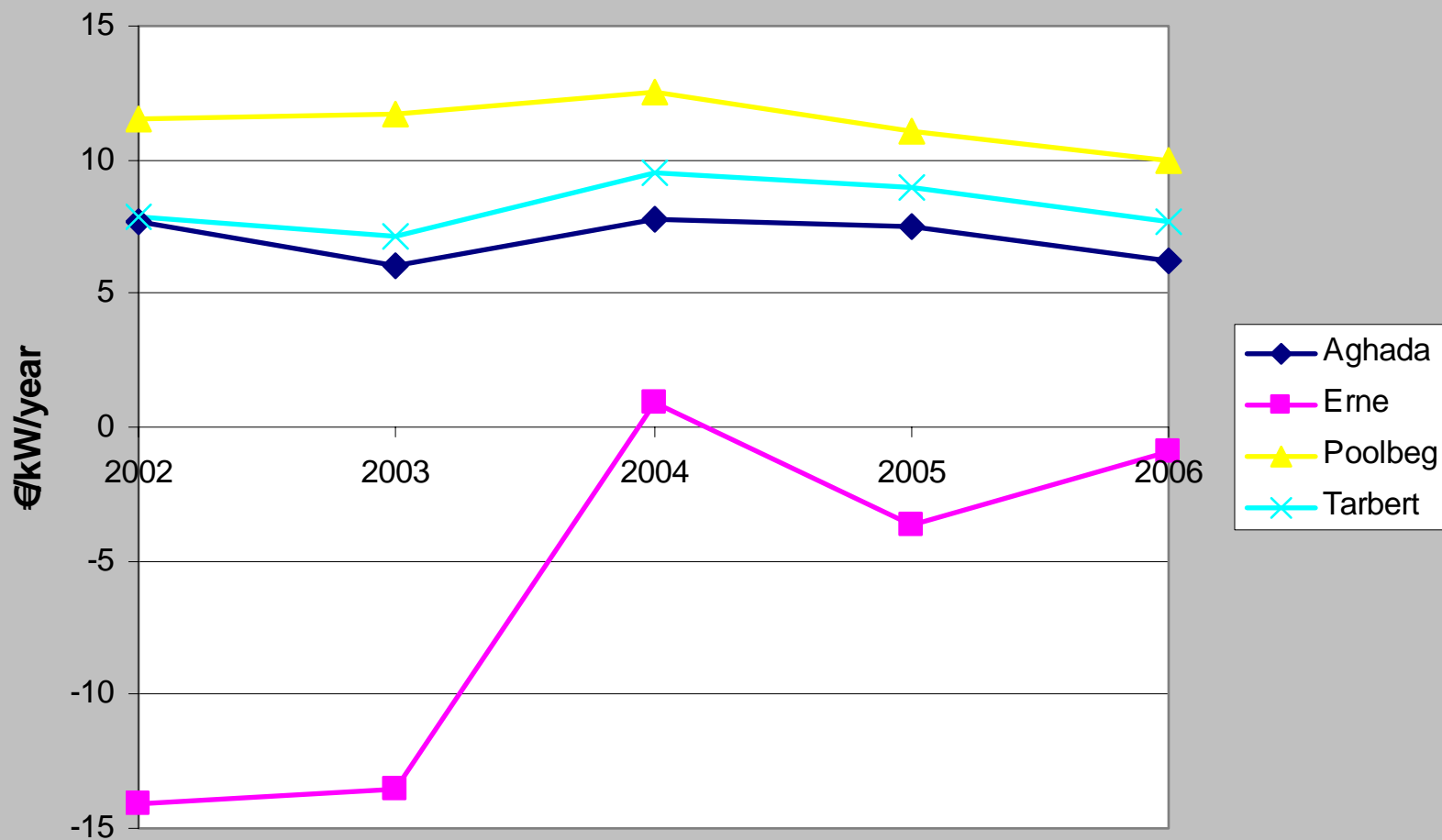


Lowest tariffs in North West region

Highest tariffs in Dublin



TUoS Trend – 2002 to 2006



Generator Tariffs

Generator Tariffs - €/kW/year

	Lowest	Highest	Average
2002	-13.7 Erne - NW	11.5 Poolbeg - Dublin	8.9
2006	-0.9 Erne - NW	12.9 North Wall - Dublin	6.1

Locational Example, 2006

- Common Assumptions
 - 400MW Generator
 - 90% Load Factor
 - Energy Price, 2006 BNE €66/MWh

Dublin	Cork
Approx TLAF = 0.985	Approx TLAF = 1.012
Value of energy sold = €205.0M	Value of energy sold = €210.6M
Approx TUoS = €4.0M	Approx TUoS = €2.6M
Total Annual Difference €7.0M	

Current/Future Issues

- Network locational signals important
- TUoS & TLAFs
 - Responsive to
 - Changes in network configuration
 - Changes in load/generation pattern
- Generally stable
 - Some exceptions
 - May be a case for Mitigation Techniques

Issues (2)

- Single Electricity Market
 - From Nov 2007
 - Same methodology as used at present
- Future Studies
 - Input from Market Participants
- The End
- Any Questions?



Annual Customer Conference 2006

Croke Park Conference Centre, Dublin

18th & 19th October 2006

