



NATIONAL
GRID

Mid-Year TLAF Recalculation Policy

12th January, 2005

Scope of Policy

Each market-participating generator's TLAFs are calculated and published a year in advance based on the forecast behaviour of the entire electrical system in Ireland. Occasionally, new generation joins or leaves the energy market at a different time to that forecast. Under such circumstances, this policy describes if, and how market-participating generators' TLAFs and transmission station indicative TLAFs are recalculated.

PROPOSED NEW TRANSMISSION LOSS FACTOR RE-CALCULATION POLICY

1. Purpose:

To describe the conditions under which Transmission Loss Adjustment Factors (TLAFs) will be calculated. This policy document applies from January 1st 2005 onwards.

2. Policy:

2.1 Standard Yearly Publication of TLAFs

2.1.1 Proposed TLAFs will be published for a period of 3 weeks on the ESB National Grid and CER websites. Participants may raise concerns with their TLAFs at this time. Following this process CER will approve the TLAFs to take effect for the following calendar year. These shall be published on the ESB National Grid website and are referred to as the **Yearly Published TLAFs**.

2.1.2 Individual TLAFs are calculated for generators participating in the market, using the information below contained in a forecast:

- forecast demand at every transmission station
- all generators currently connected to the existing transmission system and generators embedded in the distribution network
- forecast retirement of existing generators (size, location, and date of retirement, etc.)
- forecast connection of new generators (size, location, date of connection, operational date etc.)
- forecast changes to the transmission network
- forecast maintenance schedules of connected generation

2.1.3 Indicative TLAFs are also published at this time for all transmission stations, providing for the changes to the transmission network that may occur, i.e. the inclusion of new transmission stations.

2.1.4 All connecting generation will receive a TLAF effective from their connection date.

2.2 Factors that May and May Not Impact TLAFs During the Year

2.2.1 Any generator that connects later in the year than that forecast, any generator retires earlier in the year than that forecast, or any subsequent change to the forecast maintenance schedules will not impact the current **Yearly Published TLAFs**.

2.2.2 If any generator connects earlier in the year than that forecast, or if any generator retires later in the year than that forecast, and if a TLAF was not assigned to it for a season for which it is now operational in the **Yearly Published TLAFs**, it will receive the indicative TLAF for its appropriate transmission station. In this case, the indicative TLAF will be used for the seasons up until the **Yearly Published TLAFs** for that generator are effective, or until the generator retires.

2.2.3 Any changes to the transmission network outside of those which were forecast will not impact the currently published TLAFs. This includes advances or delays of transmission projects and generation that moves its connection to a new transmission station in a manner not included in the original forecast.

2.2.4 The CER-approved **Yearly Published TLAFs** are considered final. These TLAFs may only be adjusted when:

- i) it has been determined that the TLAFs were calculated from incorrect data supplied by market-participating generators, or
- ii) circumstances considered exceptional by ESB National Grid have occurred, subject to approval by CER, or
- iii) the circumstances defined in 2.3.1 below, or
- iv) the CER directs ESBNG to adjust the **Yearly Published TLAFs**.

In the event of 2.2.4 ii), all impacted market participants will be informed in a timely fashion as to the nature of the exceptional circumstances which required the TLAF recalculation.

2.2.5 In no cases will TLAFs contained in the **Yearly Published TLAFs** be modified following the start of the season to which they apply.

2.3 Calculation Policy for New Generators

2.3.1 If any generation, which was not anticipated at the time of production of the **Yearly Published TLAFs**, becomes a market participant, and no TLAF has been published for this participant in the **Yearly Published TLAFs**, a TLAF shall be calculated and published as described in 2.3.3, 2.3.4, and 2.3.5.

2.3.2 No market participant that has previously published TLAFs in the **Yearly Published TLAFs** shall be impacted by the addition of the new participant in the current year.

2.3.3 If generation re-dispatch is required for the recalculation of the TLAFs, the re-dispatch will only include changes directly associated with the generator that triggered the revision of the TLAFs. (See the published TLAF calculation policy document for more details on the use of generation dispatches to calculate the TLAFs.)

2.3.4 The following decision table is used to determine whether a new participant should be assigned the current indicative TLAFs for their location or whether new TLAFs should be calculated.

Unit Expected Output	Cumulative Generation	Connecting Generator
Under 3 MW	Any	No calculation
3 - 20MW	Under or equal to 20MW including new connection	No calculation
3 - 20MW	Over 20MW including new connection	Re-calculate
Over 20MW	Any	Re-calculate

Where:

Unit Expected Output is taken as the maximum of the 10 average seasonal dispatches. For the purpose of TLAF re-calculation, individual components of a generation facility, e.g. modules of a CCGT or individual turbines in a windfarm, may be grouped into a single **Unit** as deemed appropriate by ESB National Grid.

No calculation indicates that the connecting generator will be assigned the indicative TLAFs for its connecting transmission station that were effective at 0600hrs on the date that its connection agreement was signed, or at the date one year prior to their date of connection, whichever later. If a new transmission station has been built on a line to accommodate the new generator, and no indicative TLAF has been calculated for that transmission station, then the indicative TLAF will be the average of all the most recent indicative TLAFs for transmission stations directly connected to that station.

Cumulative Generation is the cumulative sum of expected output of new generation connecting and any non-market generation that has connected at that transmission station since loss factors were last calculated for that transmission station.

New connection is the connecting generation for which TLAFs have not been published as described in 2.3.1, and

Re-calculate means the appropriate changes are made to the TLAFs based on the published TLAF calculation policy document, given suitable dispatch described in 2.3.3.

2.3.5 If a recalculation occurs, indicative TLAFs will also be re-calculated for all transmission stations using the same dispatch described in 2.3.3. These updated indicative TLAFs will take immediate effect upon being published on the ESB National Grid website. This re-calculation of the indicative TLAFs will take into account any new transmission stations for which no previous TLAFs were calculated.

2.3.6 Following the calculation of the appropriate TLAFs for the new participant, these TLAFs will be included in the **Yearly Published TLAFs** and treated as such.