

## *Proposal Document*

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The terms and conditions to act as defence service provider and as restoration service provider for Ireland

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In accordance with the requirements of Articles 4 and 7 of the Commission Regulation (EU) 2017/2196 establishing a network code on electricity emergency and restoration

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18/12/2018



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Proposal

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# 1. Terms and Conditions related to Emergency and Restoration

Following a public consultation during November and December 2018, this document addresses EirGrid's requirement to develop a proposal on Terms and Conditions related to the provision of System Defence and System Restoration services. Some background material is presented and then the relevant Network Code Articles from the Emergency and Restoration Code are re-produced. The subsequent section sets out EirGrid's approach regarding the relevant requirements.

## 1.1. Background

In accordance with COMMISSION REGULATION (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration, the Transmission System Operators (TSO) of a member state are required to submit the proposals to the relevant regulatory authority on the following;

- the terms and conditions to act as a defence service providers on a contractual basis in accordance with [Article 4] paragraph 4; (if such terms and conditions are established on a contractual basis);
- the terms and conditions to act as restoration service providers on a contractual basis in accordance with [Article 4] paragraph 4, (if such terms and conditions are established on a contractual basis)

The Terms and Conditions relate to the characteristics of the service being provided as well as the possibility for aggregation and geographical location.

## 1.2. Relevant Network Code Articles

**Article 4 (2)** Each TSO shall submit the following proposals to the relevant regulatory authority in accordance with Article 37 of Directive 2009/72/EC for approval:

- (a) the terms and conditions to act as defence service providers on a contractual basis in accordance with paragraph 4;
- (b) the terms and conditions to act as restoration service providers on a contractual basis in accordance with paragraph 4;
- (e) the rules for suspension and restoration of market activities in accordance with Article 36(1);
- (f) specific rules for imbalance settlement and settlement of balancing energy in case of suspension of market activities, in accordance with Article 39(1);
- (g) the test plan in accordance with Article 43(2).

**Article 4(4)** The terms and conditions to act as defence service provider and as restoration service provider shall be established either in the national legal framework or on a contractual basis. If established on a contractual basis, each TSO shall develop by 18 December 2018 a proposal for the relevant terms and conditions, which shall define at least:

- (a) the characteristics of the service to be provided;
- (b) the possibility of and conditions for aggregation; and
- (c) for restoration service providers, the target geographical distribution of power sources with black start and island operation capabilities.

**Article 7 (1)** The relevant TSOs shall consult stakeholders, including the competent authorities of each Member State, on proposals subject to approval in accordance with points **(a)**, **(b)**, (e), (f) and (g) of Article 4(2). The consultation shall last for a period of not less than one month.

### **1.3. TSO Considerations**

EirGrid is the licensed Transmission System Operator in Ireland and is responsible for the operation of the electricity transmission system in Ireland. As the designated TSO in Ireland, EirGrid is responsible for establishing these terms and conditions. The Legal Framework in Ireland comprises the Statutory Instrument SI445/2000, as well as the Ireland Grid Code and any bilateral contracts that are consequential to the Grid Code requirements. Under SI445/2000, EirGrid as TSO is mandated to procure whatever services are necessary to ensure grid security. The Ireland Grid Code furthermore details more specific requirements around Significant Grid Users, comprised of Generators, DSOs, and Demand Customers. In line with the above, EirGrid has a limited number of Ancillary Service contracts in place for the provision of Black Start services. The amount, nature and location of the Black Start generation is kept under review and additional services will be procured if deemed necessary so as to ensure continued compliance with EirGrid's relevant legal obligations.

#### **1.3.1. System Defence**

The existing Legal Framework for System Defence comprises the Statutory Instrument (SI 445/2000) and certain clauses of the Grid Code. The terms and conditions to act as a Defence Service Provider are detailed within the following clauses of the Ireland Grid Code and SI 445/2000. Note that the terms of provision of System Services ("DS3") has undergone extensive consultation with Regulators and Industry.

Table 1: Legal Framework for System Defence

Requirement	Service	Currently Defined Within
<b>Ancillary Service</b>	TSO to ensure availability of ancillary services to operate the grid securely	SI 445/2000 Part 3 8(1)(a),(b)
<b>Defence Service Provider</b>	The terms and conditions to act as defence service provider and as restoration service provider shall be established either in the national legal framework or on a contractual basis. If established on a contractual basis, each TSO shall develop by 18 December 2018 a proposal for the relevant terms and conditions, which shall define at least:  (a) the characteristics of the service to be provided;	Grid Code OC2, Operational Planning Grid Code OC4, System Services Grid Code OC5, Demand Control Grid Code CC10, User Protection and Power Quality

### 1.3.2. System Restoration

The existing Legal Framework for System Restoration comprises the Statutory Instrument (SI 445/2000) and certain clauses of the Grid Code. Under the Ireland Grid Code, EirGrid is required to establish a System Restoration Plan (Black Start) in the event of a partial or full shutdown of the power system in Ireland. EirGrid is required to assess the impact of new users connecting to the power system in Ireland and the ability of these users in providing black start services to EirGrid. All new connection requests are assessed by EirGrid, along with the technical characteristics of proposed plant.

Table 2 Legal Framework for System Restoration

Requirement	Service	Currently Defined Within
<b>Ancillary Service</b>	TSO to ensure availability of ancillary services to operate the grid securely	SI 445/2000 Part 3 8(1)(a),(b)
<b>Black Start Definitions and Requirements</b>	Availability of certain units to start up without external power supply	Grid Code OC4.7.1.1
	Availability of interconnectors to start up without external power supply	Grid Code OC4.7.1.1 and Interconnector Operating Protocol (as agreed with TSO)
	Reference to Ancillary Service Agreement	Grid Code OC4.7.3.2
<b>Re-energisation procedure</b>	Power System Restoration and provision for TSO Restoration Plan	Grid Code OC 9.5.1
<b>Black Start Testing</b>	Powers for TSO to carry out tests on Black Start Generators once per year.	Grid Code OC10.5.7



## 1.4. TSO Position

Based on the requirements of the Emergency and Restoration Code and the specific requirements for users connecting to the transmission system, the terms and conditions to act as a Restoration Service Provider are held in the existing national legal framework, including contracts with Black Start service providers. Thus EirGrid does not propose any change to the existing Grid Code clauses. The amount and availability of Black Start generation is sufficient for system security presently, but is kept under review. EirGrid does not presently propose to specify conditions for aggregation or target geographical distribution of Black Start services.

The Terms and Conditions for System Defence Providers are conveyed through the Connection and Operating Conditions of the Grid Code. EirGrid does not propose to change any Grid Code clauses with respect to System Defence services as a result of the Emergency and Restoration Code.

The Terms and Conditions for System Defence Providers are conveyed through the Connection and Operating Conditions of the Grid Code and Part 3 of SI 445/2000. In the recent past, there has been an extensive process of consultation on modifications to the Grid Code and the development of system services contracts. Where appropriate, system services contracts were procured through a tendering process. This is expected to continue for the foreseeable future.