

Annex 12 to the harmonised Allocation Rules for Forward Capacity Allocation

Regional specific annex for the borders Great Britain-Ireland and Great Britain-Northern Ireland (SEM-GB)

Article 1

Subject-matter and scope

1. In accordance with Article 4 of the Allocation Rules regional specificities may be introduced for one or more Bidding Zone borders. The rules described in this border specific annex apply to the SEM-GB Border¹.
2. This annex shall be effective from the date of entry into force of the Allocation Rules subject to approval from the relevant National Regulatory Authorities. This annex shall be reviewed annually by the TSOs and the National Regulatory Authorities may also request a review. In the event that this annex requires amendment, Article 69 of the Allocation Rules shall apply.
3. The terms used in this annex shall have the same meanings as set out in the Allocation Rules to which this annex is attached unless otherwise specified.

¹ SEM is the single electricity market in Northern Ireland and Ireland. SEM-GB, as used in this annex, refers to both the Northern Ireland to Great Britain interconnector (the “Moyle Interconnector”) and the Ireland to Great Britain interconnector (the “East West Interconnector”).

Article 2
SEM – GB border specific rules

1. The Allocation Rules for Forward Capacity Allocation shall apply to the allocation of Long Term Transmission Rights on the SEM – GB bidding zone border with a Product Period beginning on or after the go-live date of the Integrated Single Electricity Market (I-SEM)² on the island of Ireland subject to the rules in this annex.
2. In the event that the I-SEM supports the introduction of Financial Transmission Right Obligations on the SEM-GB border, the relevant TSOs shall develop appropriate harmonised Allocation Rules for Financial Transmission Right Obligations. Such rules would be subject to consultation and NRA approval prior to coming into force.
3. The East West Interconnector Access Rules³ (as amended from time to time) shall govern access arrangements for long-term, daily and intra-day allocations on the East West Interconnector until the I-SEM go-live date, except for Long Term Transmission Rights which are allocated in accordance with Article 2(1) of this annex.
4. The Moyle Interconnector Access Rules⁴ (as amended from time to time) shall govern access arrangements for long-term, daily and intra-day allocations on the Moyle Interconnector until the I-SEM go-live date, except for Long Term Transmission Rights which are allocated in accordance with Article 2(1) of this annex.
5. Notwithstanding Article 48 (1) of the Allocation Rules, the following shall apply in relation to the SEM-GB border:

The Allocation Platform or a third party assigned by TSOs on the SEM-GB Bidding Zone border shall remunerate the Long Term Transmission Rights holder for the Long Term Transmission Rights which are reallocated at the relevant daily allocation. The Allocation Platform or a third party assigned by TSOs on the SEM-GB Bidding Zone border shall remunerate the Long Term Transmission Rights holder for each MW which was non-nominated for the relevant hourly period in the case of Physical Transmission Rights and for all allocated MW per relevant hourly period in the case of Financial Transmission Rights Options. The remuneration shall be calculated in the case of Physical Transmission Rights, as the difference between the volumes stated in the Rights Document and the final volumes nominated and accepted by the relevant TSO; and in the case of Financial Transmission Right Options, as the volumes stated in the Rights Document, multiplied by a price, depending on the type of the day-ahead allocation, as follows:

² I-SEM is the name given to the project to redesign the electricity market of Ireland and Northern Ireland to implement the European Target Model in accordance with EU Directive 2009/72/EC, Regulation (EC) No 714/2009 and Regulation (EC) No 713/2009.

³ East West Interconnector means the interconnector connecting Ireland at Woodland to Wales at Deeside. The East West Interconnector Access Rules are available at <http://www.eirgrid.com/eastwest/>

⁴ Moyle Interconnector means the interconnector connecting Northern Ireland at Ballycronan More to Scotland at Auchencrosh. The Moyle Interconnector Access Rules are available at <http://www.mutual-energy.com/electricity-business/moyle-interconnector/access-arrangements/>

- a. in case of day-ahead Implicit Allocation, the price shall be the Market Spread at the concerned Bidding Zone border for the concerned hourly period only in case the price difference is positive in the direction of the Long Term Transmission Rights of the day-ahead Implicit Allocation in which that Cross Zonal Capacity was reallocated, and €0/MWh otherwise. If applicable, the remuneration shall be adjusted to reflect transmission losses and ramping constraints on interconnections between Bidding Zones, where these losses and ramping constraints are included in the day-ahead Cross Zonal Capacity allocation process.
6. Notwithstanding Article 56 (1) of the Allocation Rules, in relation to the SEM-GB border Long Term Transmission Rights irrespective of the Product Period, may be curtailed in the event of Force Majeure, an Emergency Situation or to ensure System Security according to applicable legislation. In the case of a HVDC interconnector, Long Term Transmission Rights irrespective of the Product Period, may also be curtailed due to insufficient physical capacity being available in any settlement period in a given direction for reasons which cannot be attributed to an event of Force Majeure, an Emergency Situation or a System Security event (a “Capacity Shortage”).
7. In cases of curtailment due to Capacity Shortage, the affected Registered Participant is entitled to receive reimbursement or compensation in accordance with the calculations applied for compensation for curtailments to ensure System Security, as provided for in Article 59 of the Allocation Rules.
8. For the purposes of Article 59 (2) and Article 59 (3) of the Allocation Rules, curtailment due to Capacity Shortage shall be deemed to be for reasons of ensuring System Security. Any compensations for curtailment due to Capacity Shortage will therefore be subject to the caps set out in Articles 59 (2) and Article 59 (3) of the Allocation Rules.