

CER/05/215



NATIONAL
GRID

Winter Peak Demand Reduction Scheme (WPDRS)

Rules

Season 2005/06

INTRODUCTION

This document sets out the **Rules** for the third season of the **Winter Peak Demand Reduction Scheme (WPDRS 2005/06)**, as it applies to **Customers** with **Interval Metering** (quarter hourly metering).

It has been designed to incentivise **Customers** to reduce load in a **Delivery Period** between 17.00-19.00 on **Business Days** between 1st November 2005 and 24th March 2006.

The **Rules** for the **WPDRS** 2005/06 have been developed from the **Scheme** that ran during Winters 2003/2004 and 2004/2005. The **Rules** of the **Scheme** have been updated to reflect changes to way the **Scheme** operates.

A separate Scheme operated by ESB Customer Supply, known as the Winter Demand Reduction Incentive has a similar aim to WPDRS and operates at a similar time of year. In the future it may be desirable to have a single scheme, but currently customers are not allowed to participate in both schemes concurrently.

For the purposes of clarity, it should be noted here that one of the key terms of the Scheme has been renamed for Winter 2005/06. The term "**Energy Payment**" was deemed to be somewhat misleading and has been renamed the "**Profile Payment**". The method of calculation of the **Profile Payment** remains identical to that of the **Energy Payment**.

RULES OF SCHEME

ELIGIBILITY

Customers who wish to participate in the **Scheme** must have the ability to reduce their metered consumption, and / or increase their metered exports between 17:00 and 19:00 on **Business Days** for all or part of the duration of the **Scheme**. This can be achieved by switching plant off at this time or through the use of on-site generation.

The **Scheme** will run from 1st November 2005 to 24th March 2006 inclusive.

The **Scheme** will be open to **Customers** with **Interval Metering and remote communications** for whom a **Capacity Baseline** and **Energy Benchmark Ratio** have been calculated by ESBNG. ESBNG is not responsible for ensuring the availability of the necessary historic data required to determine the **Capacity Baselines** and the **Energy Benchmark Ratios**. The Distribution System Operator (**DSO**), the Meter Registration System Operator (**MRSO**) and ESB Customer Supply (**ESB CS**), as appropriate, will be responsible for providing this data to ESBNG.

Customers who do not currently have **Interval Metering** in place, but will have such metering installed during the period that the **Scheme** operates will also be considered for the **Scheme**.

The base unit for inclusion in the **Scheme** is a single site, provided that the meters on that site relate to one **Customer** and are registered to one **Supplier**, and that metering is available for all the relevant meters.

Customers who participate in the Winter Demand Reduction Incentive (**WDRI**) run by **ESB CS** will not be eligible to participate in **WPDRS**.

QUALIFICATION

Customers interested in participating in the **Scheme** should contact their **Supplier** for an application form that they should complete and return to their **Supplier**. The **Supplier** will forward the application to ESBNG for consideration.

In their application, **Customers** will be required to indicate the level of electricity demand they will consume (in MW) during the **Delivery Period**. This is the **Committed Level**.

RESERVATION OF RIGHT NOT TO PROCEED WITH APPLICATION

The Commission for Energy Regulation (CER) reserves the right not to proceed with any application.

DESIGNATED CUSTOMERS

If a **Customer** is successful in their application they will be deemed to be a "**Designated Customer**".

DELIVERABLES AND PAYMENTS

Designated Customer

A **Designated Customer** will commit to reducing their electrical demand between 17:00 and 19:00 on **Business Days** in the period 1st November 2005 to 24th March 2006 to, or below, their **Committed Level** as indicated in their application form, their **Committed Level Variation Form** or their **Emergency Committed Level Variation Form** as appropriate.

Payment for this deliverable will be based on price published in the “**Published Price** for the WPDRS - 2005/06”, document which will be published by ESBNG and CER at the time the draft determination of retail tariffs are published in September 2005.

COMMITTED LEVEL VARIATION

Designated Customers are entitled to choose a different **Committed Level** for each full week of the scheme. This **Committed Level** variation must be notified to ESBNG by the **Customer**, through their **Supplier** using a **Committed Level Variation Form**, not later than two **Business Days** prior to the start of the week in question. The **Designated Customer** must specify the **Committed Level** variation, the start date of the variation, and the end date of the variation.

Designated Customers may only submit one **Committed Level** variation per week.

Each **Committed Level** variation must be applicable for at least one week starting on the Monday and running through to the Friday of the week in question. Where a variation is for a period longer than one week, the variation must be applicable for a number of complete weeks. For the avoidance of doubt, the **Committed Level** applicable on the Monday of a given week will be the **Committed Level** for that entire week. Suppliers are required to submit an Excel spreadsheet “clvs spreadsheet.xls” which summarises any changes to Committed Levels by their customers in a given week together with any CLV forms received during a week (again not later than two Business Days prior to the start of the week in question).

Note: In 2005/2006, once a customer has submitted a Committed Level variation for a particular week, they may **not** subsequently revise that level, unless they are eligible to submit an Emergency Committed Level Variation.

EMERGENCY COMMITTED LEVEL VARIATION

In exceptional circumstances, **Designated Customers** may submit an **Emergency Committed Level Variation Form**.

The **Emergency Committed Level Variation** facility is **only** available to customers who wish to change their Committed level by **2MW** or more. It is expected that this process will be used in a very small number of cases, for example if a generator trips unexpectedly and becomes unavailable for a prolonged period. The procedure for Emergency Committed Level Variation is outlined below:

By 12:00 noon on the day on which the Emergency Variation is to be effective, the Customer's administrator will submit a correctly completed **Emergency Committed Level Variation Form** to ESBNG. The form will specify the effective date on which the Emergency Variation will take effect. The Emergency Variation will be effective from the effective date stated on the form until the end of the calendar week in which the effective date occurs. The **Emergency Committed**

Level Variation Form also gives the Customer an option to specify that the Variation is to apply for one subsequent week.

When the period specified has elapsed, the Customer's **Committed Level** will revert to the default level specified in the Customer's original Application Form (or on previously submitted Committed level variation forms which may supersede it).

SUPPLIERS

Suppliers will be responsible for:

- coordination of applications from their **Customers**;
- ensuring that correctly completed applications are received by ESBNG;
- ensuring that correctly completed **Committed Level Variation Forms** and **Emergency Committed Level Variation Forms** are received by **ESBNG** within the time specified in the **Rules**;
- assisting ESBNG in the administration of the **Scheme**;
- making payments to their **Designated Customers**; and
- ensuring that their **Designated Customers** who participate in **WPDRS** do not participate in **WDRI** also.

Any dispute raised by a **Customer** will be dealt with through their **Supplier**.

For the avoidance of doubt, the **Supplier** shall be responsible contractually to the **Designated Customer** for all payments due to the **Customer** under the **Scheme**.

Payment to **Suppliers** for this deliverable will be based on the total level of load reduction provided by their **Designated Customers**. **Suppliers** will receive a sum equal to 5% of the amount payable to their **Designated Customers**.

TERMS & SETTLEMENT

Designated Customers

Designated Customers will receive payment for the load reduction provided in accordance with the agreement they have with their **Suppliers**.

Suppliers

Suppliers will receive notification of the amount owing to them (their fee as well as payments due to their **Designated Customers**) within either 25 **Business Days** of the end of the month in which the load reduction took place, or if there is a delay in data being provided to ESBNG, within 15 **Business Days** following receipt of a complete data set for that **Supplier** from the **DSO, ESB CS** and/or **MRSO** as appropriate.

The **Supplier** will be requested to send an invoice to ESBNG for this amount. Payment will be made by ESBNG within 10 **Business Days** of the receipt of this invoice. This payment may be reconciled at a later date in the event that updated data becomes available.

Should the Supplier wish to dispute the amounts owing to them, they must raise the dispute with ESBNG within 3 months of receiving notification of the amount owing to them. For resolution of disputes, the Dispute Mechanism outlined below shall be used.

Should updated data be received from **DSO, ESB CS** or **MRSO** after monthly settlement has been completed, a reconciliation process will be undertaken by ESBNG. Full and final reconciliation will be completed quarterly by ESBNG.

ESBNG is not responsible for ensuring payments are made to **Designated Customers**. This is a matter between **Designated Customers** and their **Suppliers**. No liability shall attach to ESBNG in the event that the **Supplier** fails to make the correct payment to the **Customer**.

Should a **Designated Customer** switch **Supplier** during one of the five delivery months, all payments due in respect of the service they provided under the **Scheme** for the month will be paid to the **Supplier** with which they are registered at the end of that month.

ROLE OF ESB NATIONAL GRID

ESBNG will be responsible for:

- calculation of **Customers' Capacity Baseline Levels** and **Energy Benchmarks** based on data provided to ESBNG by **DSO, MRSO** and **ESB CS**;
- selection of **Designated Customers** (subject to approval by **CER**);
- monitoring load reductions provided on a **Designated Customer** by **Designated Customer** basis;
- calculation of payments due to **Designated Customers**;
- calculation of payments due to **Suppliers**;
- making payments to **Suppliers**;
- accepting and confirming **Committed Level** variations to the **Designated Customer's** Supplier
- compliance by **Suppliers** and **Designated Customers** with **Scheme** and the **Rules**

PAYMENTS

Information on the payment calculation process is contained in Annex B – “Payment Calculation” of this document.

The **Published Price** will be published in conjunction with the draft determination of the retail tariffs in the “**Published Price** for WPDRS 2005/06” document. This document will be available on the CER and ESBNG website, and will include the **Reliability Payment Rate**, the **Profile Payment Rate** and the **Reliability Rebate Rate**.

DURATION

It is envisaged that this **Scheme** will run each winter until 2005/06, or until such time as the **CER** decides. The application process will recommence each year to allow new **Customers** to take part, to incorporate improvements identified, and to allow previous **Designated Customers** to submit new **Committed Levels**.

Customers eligible to participate in the **WDRI** will be required to choose to participate in either the **WPDRS** or the **WDRI**.

TREATMENT OF EXPORTS

Customers who have the facility to export load from their site, and have the appropriate licenses to export and trade electricity in the market will be able to avail of payments through this **Scheme** should they be in a position to increase their exported load. This will be subject to the availability of appropriate historic meter data to calculate their **Baseline** and **Benchmark**. Payment rates and terms will be identical for exported load as for measured load reductions from **Designated Customers**

TERMINATION

The CER reserves the right to terminate a **Supplier’s** or **Designated Customer’s** participation in the **Scheme** if

- i. they become bankrupt,
- ii. are no longer capable of providing the service under the **Scheme**; or
- iii. for any other reason that reasonably seeks to ensure that the **Scheme** operates in an equitable and efficient manner.

COMPLIANCE

ESBNG will use metered energy to monitor levels of load reduction achieved by each **Designated Customer**. ESBNG will then calculate the level of payments that each **Designated Customer** should receive under the **Scheme**.

VARIATIONS TO THE SCHEME

ESBNG will monitor the **Scheme** and may as a result propose amendments and/or variations to the **Scheme** to the CER for their approval.

GOVERNING LAW AND JURISDICTION

These **Rules** shall be interpreted, construed and governed by the laws of the Republic of Ireland.

Each Party further agrees that a finding or conclusion of the **CER** in accordance with the Dispute Resolution Procedure, shall be conclusive and binding upon all the Parties.

DISPUTE RESOLUTION

Any Party may notify another Party following the discovery of any item or event which the notifying Party acting in good faith considers to be a dispute under the **Scheme**.

Within fifteen (15) **Business Days** of this notice, the notifying Party may, if considered appropriate and by further notice to the other Party, appoint a senior company official with expertise in the area of dispute to represent it and within fifteen (15) **Business Days** of appointment, to meet the other Party's representative to attempt in good faith to satisfactorily resolve the dispute.

If the dispute is not resolved within thirty (30) **Business Days** of the meeting referred to above, then either Party may refer the matter to the **CER** for resolution.

Annexes

Annex A	Defined Terms
Annex B	Payment Calculation procedure
Annex C	Capacity Baseline Level and Energy Benchmark Ratio Calculation Methodology
Annex D	List of Business Days for WPDRS 2005/06
Annex E	Outline of "Published Price for WPDRS 2005/06" Document

Annex A Defined Terms

“**Baseline**”: See **Capacity Baseline Level**;

“**Benchmark**”: See **Energy Benchmark**;

“**Business Day**” means any day other than a Saturday, Sunday, a public holiday in the Republic of Ireland, or those days between Christmas Day and New Years Day. For the avoidance of doubt, a complete list of days deemed to be **Business Days** for the purposes of **WPDRS** in 2004/05 Season is given in Annex D;

“**CER**” means the Commission for Energy Regulation;

“**Capacity Baseline Level**” is the value defined by ESBNG based on information provided by **MRSO** and **ESB CS** and notified to **Suppliers** in respect of a **Customer** designated the “**Capacity Baseline Level**” for that **Customer**. Also referred to as the “**Baseline**”;

“**Committed Level**” means the level of demand that the **Customer** commits not to exceed during the **Delivery Period**;

“**Committed Level Variation Form**” is the form available from ESB National Grid which must be used by Customers who wish to notify ESBNG through their **Supplier** of a change to their Committed Level;

“**Committed Quantity**” means the difference between the **Baseline** and the **Committed Level**;

“**Customer**” means an end user of electricity, supplied by a licensed **Supplier**;

“**Delivery Period**” means the period between 17:00 – 19:00 on **Business Days** between 1st November 2005 and 24th March 2006 inclusive. The period in which “**Designated Customers**” will be required to reduce their load or increase exports;

“**Designated Customer**” means a **Customer** whose application to participate in the **Scheme** has been accepted. Such a **Customer** will be deemed to be designated under the **Scheme** by ESBNG;

“**DSO**” means the Distribution System Operator

“**Emergency Committed Level Variation Form**” is the form available from ESB National Grid which must be used by Customers who wish to notify ESBNG through their **Supplier** of an emergency change to their Committed Level, equal to or greater than 2MW.

“**Energy Benchmark Ratio**” means the value defined by ESBNG and notified to **Suppliers** in respect of a **Customer** designated the **Energy Benchmark Ratio**;

“**Energy Benchmark**” is calculated on each **Business Day** for the duration of the **Scheme** daily basis as follows:

(Average half hourly consumption between 09:00 – 16:00 & 20:00 – 22:00) * **Energy Benchmark Ratio**

“**ESB CS**” means ESB Customer Supply

“**Interval Meter**” a quarter-hourly revenue standard meter;

“**MRSO**” means Meter Registration System Operator;

“**Profile Payment**” means the payment due to a **Designated Customer** for a change in their energy profile over the **Delivery Period**;

“**Profile Payment Rate**” means the rate for the Profile Payment which will be defined in the “Published Price for **WPDRS 2005/06**” to be published in September 2005.

“**Published Price**” means the price that will be paid for the WPDRS in 2005/06 and will be published by the **CER** in the “**Published Price** for WPDRS - 2005/06.

“**Rebate**” means a rebate that is paid by a **Designated Customer** if they breach their **Committed Level**;

“**Reliability Payment**” means the payment due to a “**Designated Customer**” for reliable delivery of the “**Committed Quantity**” for the duration of the “**Delivery Period**”;

“**Reliability Payment Rate**” means the rate for the **Reliability Payment** which will be defined in the “Published Price for **WPDRS 2005/06**” which will be published by **CER** in September 2005.

“**Reliability Rebate Rate**” means the rate for the **Reliability Rebate** which will be defined in the “Published Price for **WPDRS 2005/06**” which will be published by **CER** in September 2005

“**Rules**”: means the **Rules** of the **WPDRS**, contained in this document

“**Scheme**” means the “**Winter Peak Demand Reduction Scheme**” ;

“**Supplier**” means a licensed **Supplier** of electricity;

“**Total Reliability Payment**” means the total of the daily **Reliability Payments** less the total of the **Reliability Rebates**, to an Interval Metered **Designated Customer** in a given month;

“**Total Payments**” means the sum of (**Reliability Payments + Profile Payments**) payable to the **Designated Customers** each month;

“**WPDRS**” means the **Winter Peak Demand Reduction Scheme**;

“**Winter Peak Demand Reduction Scheme**” means the **Scheme** described in this document, developed by ESBNG and approved by CER, designed to encourage **Customers** to reduce their consumption, or increase exports between 17:00 and 19:00 on **Business Days** between 1st November 2005 and 24th March 2006

Annex B Payment Calculation Procedure

INTRODUCTION

Payments under the **WPDRS** will be in two parts;

- a **Reliability Payment** per day for reliable delivery; and
- a **Profile Payment** for every unit of demand reduction delivered.

A rebate mechanism has been designed which will be implemented should a **Designated Customer** fail to provide the **Committed Level** of demand reduction.

The **Scheme** requires an estimate of what each **Customer's** consumption would have been over the **Delivery Period** had the **Customer** not participated in the **Scheme**.

The estimate of **Customers'** consumption without demand response will be expressed in terms of a **Capacity Baseline Level (Baseline)** for the **Reliability Payment**; and an **Energy Benchmark (Benchmark)** for the **Profile Payment**. Refer to Annex C for details on how these are calculated.

The **Baseline** and the **Energy Benchmark Ratio** will be allocated to the **Customer** by ESBNG, and the **Customer** will be required to indicate the level of load reduction that they will be able to provide by assessing the level of demand that is capable of being switched off or replaced by on-site generation during the **Delivery Period**

RELIABILITY PAYMENTS

The **Baseline** will be based on the expected demand in MW over the winter period. This figure will be defined in advance for each **Customer**, and will be constant for the duration of the **Scheme** in the 2004/05 Season.

Designated Customers will commit to a reduced maximum demand level (the **Committed Level**) during the **Delivery Period**. Daily **Reliability Payments** will be based on the difference (in MW) between the **Committed Level** and the **Baseline**. This difference will be known as the **Committed Quantity**. If their demand remains below the **Committed Level** allowing for a tolerance of 2% of the **Committed Quantity**, for the entire **Delivery Period** the participant will earn the **Reliability Payment**.

Daily **Reliability Payment** = (Capacity Baseline – Committed Level) * Reliability Payment Rate

BREACH OF COMMITTED LEVEL: REBATE

For each day in which a **Designated Customer's** maximum demand, averaged over any half-hour in the **Delivery Period** and expressed in MW, exceeds the **Committed Level** allowing for a tolerance of 2% of the **Committed Quantity**, the daily **Reliability Payment** will not be paid.

In addition, on any day when the **Committed Level** is breached, a rebate will be applied, linked to the amount in MW by which the **Committed Level** is breached. The **Reliability Rebate Rate**, per MW of breach, will be equal to ten times the **Reliability Payment Rate**. The maximum daily rebate will be limited to a value of five times that **Customer's** total daily **Reliability Payment** that the **Designated Customer** could have earned on the day on which the **Committed Level** was breached.

The **Total Reliability Payment** to a **Designated Customer** in a given month will be the total of the **Daily Reliability Payments** less the total of the **Reliability Rebates** for that month.

PROFILE PAYMENT (previously the “The Energy Payment”)

The **Energy Benchmark** (the **Benchmark**) reflects energy consumption measured in MWh within the Delivery Period.

The daily **Profile Payment** is calculated as follows:

1. Calculate the daily **Benchmark Energy**
Benchmark Energy = (Average half hour consumption between 9:00am – 4:00pm and 8:00pm – 10:00pm) * **Energy Benchmark Ratio**
2. Calculate the **Profile Payment**

Profile Payment = (**Benchmark Energy** – Average half-hour consumption in MWh between 5:00pm and 7:00pm) * **Profile Payment Rate**

The **Profile Payment** is calculated for each of the four half hours between 5pm and 7pm and the results are summed to give the total **Profile Payment** for the day

A cap will be placed on the amount that each **Customer** can receive in daily **Profile Payments**. Daily **Profile Payments** will be paid up to 50% in excess of the **Profile Payment** that would have been made had the **Designated Customer** reduced their consumption by the **Committed Quantity** throughout the period. The **Profile Payment** cannot be negative in any half-hour.

Max daily Profile Payment = $1.5 * (\text{Baseline-Committed_level}) / 2 * \text{rate} * \text{no. of half hours}$

PROTECTION OF THE PROFILE PAYMENT FROM THE RELIABILITY REBATE.

In general, only the **Reliability Payments** will be subject to the **Reliability Rebate**. However, where a **Designated Customer** fails to meet the standard required to earn *either* an **Profile Payment** *or* a **Reliability Payment** under the terms of the **Scheme** outlined in the **Rules**, on five or more days in a calendar month, the **Profile Payment** will become exposed to the **Rebate**. (see “**Total Payment**” section below for further detail).

TOTAL PAYMENT

Profile Payment Protected: - **Designated Customer** meets required minimum standard of behaviour

If the Customer succeeds in meeting the standard required to earn *either* an **Profile Payment** *or* a daily **Reliability Payment** under the terms of the **Scheme** outlined in the **Rules** on sufficient number of days in a calendar month, then the Total Payment for that month shall be:

Total Payment = **Total Reliability Payment** + **Total Profile Payment**.

where the **Total Reliability Payment** can never be less than zero. (If the sum of the daily **Reliability Rebates** exceeds the sum of the daily **Reliability Payments**, the Total Reliability Payment will be set to zero). Therefore, irrespective of the level of **Reliability Rebates**, the **Customer** will receive all of the **Profile Payment** for that month.

Profile Payment Not Protected: - **Designated Customer** does not meet required minimum standard of behaviour

If a **Designated Customer** has failed to meet the standard required to earn a *either* a **Profile Payment** or a **Reliability Payment** under the terms of the **Scheme** outlined in the **Rules** on five or more days in a Calendar month, then the Total Payment for the month shall be:

Total Payment = Total Reliability Payment + Total Profile Payment.

where the **Total Reliability Payment** can be less than zero. Therefore, if the sum of the daily **Reliability Rebates** are greater than the total monthly **Reliability Payments**, the **Customer** will lose some or all of the **Profile Payment** for that month.

If the **Total Payment** is less than zero for a month, the **Customer's Total Payment** will be set to zero for the month.

FURTHER DETAILS

For further details relating to the calculation of **Baseline** and **Benchmarks**, please see Annex C - **Capacity Baseline Level** and **Energy Benchmark** calculation Methodology

Annex C Capacity Baseline Level and Energy Benchmark calculation Methodology

This Annex sets out the process by which **Baseline Capacity Levels** and **Energy Benchmark Ratios** will be calculated for use in the **WPDRS** for November 2005 – March 2006.

INTRODUCTION

The scheme requires two measures of historic consumption by **Designated Customers**:

- A **Baseline** (MW)
- A **Benchmark Ratio** of consumption in the peak delivery period (17.00-19.00) compared with a reference period (09.00-16.00 and 20.00-22.00).

The rules for inclusion in the scheme require each **Customer** to have appropriate interval metering, with appropriate historic meter data available. **Customers** without historic data will be treated by exception.

The basic unit for inclusion in the scheme is one **Customer** at a single site – this is equivalent to a single MPRN entry in the settlement process.

There are three **Customer** types, each having a different method of calculating **Baselines** and **Benchmark Ratios**.

1. **Interval Metered Customers** who did not participate in the **WPDRS** last winter
2. **Interval Metered Customers** who have not participated in the **WPDRS** before and who do not have one full month of Interval Metering available from last winter, but who do have maximum demand metering available for the period October 2004 – March 2005.
3. **Interval Metered Customers** who participated in the **WPDRS** last winter from November 2004 – March 2005

The methods 1, 2, and 3 above, for calculating the **Baseline** and **Benchmark Ratio** for each category of **Customer** are discussed in turn below.

1. **INTERVAL METERED CUSTOMERS WHO DID NOT PARTICIPATE IN THE WPDRS LAST WINTER**

This methodology is the same as that used for **Interval Metered Customers** for last winter's **WPDRS**, except that the metered data examined is between October 2004 and March 2005 inclusive.

Many **Customers** were historically on a peak reduction programme such as WDRI, and some of these customers therefore actively reduced demand at the same winter peak periods on **Business Days**. These **Customers** should not be penalised for having delivered demand reductions in the previous year, so to the extent that they can be identified, their **Benchmark Ratio** and **Baseline** will be taken from consumption in the shoulder months of October 2004 and March 2005.

Process

Stage I: Categorise Customers by their historic data

Category A (complete data set available):

Identify those **Customers** with a complete set of historic data for **Business Days** in the period 01 October 2004 to 31 March 2005.

Category B (complete for November – February winter period):

Identify any additional **Customers** with a complete set of historic data for the period 01 November 2004 to 28 February 2005 – these **Customers** will be eligible but they will have no consideration of whether they were previously on a winter peak reduction scheme (e.g. WDRI).

Category C (partial data set available):

Category C1: Identify other **Customers** for whom data is unavailable at the start of the period but for whom there is at least one month of **Business Day** data up to and including 28 February 2005.

Category C2: Identify **Customers** whose data set starts normally but is not complete but which has at least one complete month of continuous **Business Day** data in the November to February winter period.

*These **Customers** will be eligible but they will have no consideration of whether they were previously on a winter peak reduction scheme (e.g. WDRI).*

Category D (insufficient):

Those **Customers** for whom there is less than one month's data available. These customers will not have **Baselines** or **Benchmark Ratios** set unless further data is provided.

*Stage II: **Baselines** (winter and separately shoulder months)*

For each **Customer** in categories A, B and C above, calculate the 80th percentile of half-hourly demand (converted to average MW levels) for peak half-hours (17.00-19.00) on **Business Days** in the periods:

- i) Winter: November 2004 – February 2005 (categories A, B and C); and
- ii) Shoulder: October 2004 and March 2005 (category A only).

Calculate the mean half-hourly demand (converted to average MW levels) for peak half-hours (17.00-19.00) in the same winter and shoulder **Business Day** periods:

In cases where the mean demand is greater than the 80th percentile set the **Baseline** to be the mean level of consumption.

*Stage III: **Benchmark Ratio***

For each **Customer**, for winter **Business Days**, calculate the ratio of peak consumption in the peak **Delivery Period** (17.00-19.00) compared with a reference period (09.00-16.00 and 20.00-22.00):

- i) Winter: November 2004 – February 2005 (categories A, B and C); and
- ii) Shoulder: October 2004 and March 2005 (category A only).

*Stage IV: Identify **Customers** who reduced demand at winter peaks (e.g. **WDRI**)*

For Customers in category A (complete data from 01 October 2004 to 31 March 2005), review the **Benchmark Ratio** and **Baseline** from the shoulder months October and March against the winter months November – February:

If the winter **Benchmark Ratio** is >0.05 lower than shoulder **Benchmark Ratio** and the winter **Baseline Level** is lower than shoulder **Baseline Level**;

OR

If the winter **Baseline** is $>10\%$ lower than shoulder **Baseline** and the winter **Benchmark Ratio** lower than shoulder **Benchmark Ratio** (indicating load reduction at winter peak), then assume the Customer was previously reducing demand at winter peaks (e.g. through **WDRI**), otherwise assume they were not.

*Stage V: Select appropriate **Baseline** and **Benchmark Ratio***

For **Customers** in category A identified as active in winter peak reduction (e.g. **WDRI**), use the **Benchmark Ratio** and **Baseline** ii) Shoulder;

For all other **Customers** in categories A, B or C use the **Benchmark Ratio** and **Baseline** i) Winter.

2. **INTERVAL METERED CUSTOMERS WHO HAVE NOT PARTICIPATED IN THE WPDRS BEFORE AND WHO DO NOT HAVE ONE FULL MONTH OF INTERVAL METERING AVAILABLE FROM LAST WINTER, BUT WHO DO HAVE MAXIMUM DEMAND METERING AVAILABLE FOR THE PERIOD OCTOBER 2004 TO MARCH 2005.**

This methodology is the same as that used for similar **Customers** for last winter's **WPDRS**, except that the metered data examined is between October 2004 and March 2005 inclusive. The **Customers** described in this method are described as MD Customers (i.e. **Customers** who had Maximum Demand metering installed during last winter).

Process

*Stage I: **Baseline***

The **Baseline** for each **Customer** will be set at 0.8 times the winter MD reading (the maximum of the Nov/Dec and Jan/Feb figures).

*Stage II: **Benchmark Ratio***

As last year, the **Benchmark Ratio** for each **Customer** who has their **Baseline** set using MD Data will be set with reference to the following table.

Baseline (MW)	Benchmark ratio
0 to 0.05	0.751907
0.05 to 0.1	0.812885
0.1 to 0.15	0.819479
0.15 to 0.2	0.88038
0.2 to 0.3	0.905884
0.3 to 0.4	0.90602
0.4 to 0.5	0.904736
0.5 to 0.75	0.915904
0.75 to 1	0.938014
1 to 1.5	0.96513
1.5 to 2	0.976852
2 to 2.5	0.971183
2.5 to 3	0.981933
3 to 4	0.984166
>4	0.993196

3. **INTERVAL METERED CUSTOMERS WHO PARTICIPATED IN THE WPDRS LAST WINTER FROM NOVEMBER 2004 TO MARCH 2005**

This methodology assigns **Baselines** and **Benchmark Ratios** in a non-discriminatory fashion to **Customers** who participated in the scheme last year.

Note: As the scheme was extended to March 25th in the 2004/2005 season, the shoulder months shall be defined as being October and April for the purposes of calculating the baselines of customers who previously participated in the scheme.

Process

*Stage I. Define the calculation process of the **Baseline** and the **Benchmark Ratio** for a defined historical meter period*

A historical meter period is either a winter period for a given year (November – February inclusive) or is a shoulder period (October and April).

Baseline

The **Baseline** is calculated as the 80th percentile of half-hourly demand (converted to average MW levels) for peak half-hours (17.00-19.00) on **Business Days** in the defined historical meter period.

Calculate the mean half-hourly demand (converted to average MW levels) for peak half-hours (17.00-19.00) on **Business Days** in the same defined historical meter period:

In cases where the mean demand is greater than the 80th percentile set the **Baseline** to be the mean level of consumption.

Benchmark Ratio

For **Business Days** in the defined historical metered period, the **Benchmark Ratio** is calculated as the ratio of peak consumption in the peak **Delivery Period** (17.00-19.00) compared with a reference period (09.00-16.00 and 20.00-22.00).

*Stage II: Categorise **Customers** by how their **Baselines** and **Benchmark Ratios** were assigned for last winter's **Scheme***

Category X (previous historical data defined from winter data):
Identify those **Customers** who had their **Baselines** and **Benchmark Ratios** calculated using the winter data from 01 November 2003 to 29 February 2004 inclusive.

Category Y (previous historical data defined from shoulder data):
Identify those **Customers** who had their **Baselines** and **Benchmark Ratios** calculated using the shoulder data from October 2003 and March 2004.

*Stage III: Calculate **Baselines** and **Benchmark Ratios** for Category X Customers*

A Category X **Customer** will be given the **Baseline** and **Benchmark Ratio** from last year's scheme unless:

- If the **Baseline** calculated from the defined historical metered period of winter 2004/2005 is greater than the **Baseline** from last year's scheme, the **Customer** then receives both the **Baseline** and the **Benchmark Ratio** from the defined historical metered period of winter 2004/2005;
- ELSE:
 - If the average consumption measured between 09.00-16.00 and 20.00-22.00 on all **Business Days** in the winter 2004/2005 period is 10% less than the average consumption measured between 09.00-16.00 and 20.00-22.00 on all **Business Days** in the winter 2003/2004 period, then both the **Baseline** and the **Benchmark Ratio** will be calculated by Stage IV below;
- ELSE:
 - If the average consumption measured between 09.00-16.00 and 20.00-22.00 on all **Business Days** in the winter 2004/2005 period is 10% more than the average consumption measured between 09.00-16.00 and 20.00-22.00 on all **Business Days** in the winter 2003/2004 period, then both the **Baseline** and the **Benchmark Ratio** will be calculated by Stage IV below, unless the resulting **Baseline** is lower than the **Baseline** from the last year's **Scheme**, in which case the **Baseline** and **Benchmark Ratio** from last year's scheme will still apply.

*Stage IV: Calculate **Baselines** and **Benchmark Ratios** for Category Y Customers*

A Category Y **Customer** will be given the **Baseline** and **Benchmark Ratio** calculated from the defined historical metered period of shoulder 2004/2005 unless:

If the **Baseline** calculated from the defined historical metered period of winter 2004/2005 is greater than **Baseline** calculated from the defined historical metered period of shoulder 2004/2005 (where the shoulder months are October 2004 and April 2005), the **Customer** then receives both the **Baseline** and the **Energy Benchmark Ratio** from the defined historical metered period of winter 2004/2005.

Annex D : List of Business Days for WPDRS 2005/06

1st November 2005 – 24th March 2006.

(Shaded days are “Business Days”)

NOVEMBER 2005						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DECEMBER 2005						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

JANUARY 2006						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY 2006						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH 2006						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Annex E Outline of “Published Price for WPDRS 2005/06” Document

WPDRS 2005/06 Published Price

This document contains the details of the rates for the Winter Peak Demand Reduction Scheme, and constitutes the document referred to in “Winter Peak Demand Reduction Scheme 2005/06 – Rules” document published by ESB NG and CER.

Published Prices.

The Published Prices are as follows:

- **Reliability Payment Rate:** €358/MW per day (€179 / MW per hour)
- **Reliability Rebate Rate:** €3580/MW per day (€1790 / MW per hour)
- **Profile Payment Rate:** €80 / MWh

These rates will be applicable for the duration of the Scheme (1st November 2005 to 24th March 2006)