








Gate 3 Liaison Group




Title	Liaison Group Status Report – Gate 3 Offer Programme
Date	27 May2010
From	EirGrid, ESB Networks, CER
To	Liaison Group

Summary Status

Overall Status	Schedule	Issues	Risks
			

Work-streams

EirGrid	DSO	CER
		

Status Summary	
	Project is continuing within agreed schedule and deliverable requirements with no major schedule or deliverable impact expected.
	Project schedule or a work stream deliverable is at risk of not meeting requirements. Monitor and apply corrective action as required.
	Project schedule or a work stream deliverable is not meeting requirements. Corrective action is required immediately.

Gate 3 Offer Programme Update

The issuance of offers through the Gate 3 Offer Programme is currently on schedule: A working approach relating to the provision of Gate 3 constraint estimates/reports is now being finalised by the Commission. A further update on this issue will be provided at the Liaison Group meeting on the 1st of June.

The TSO work programme for offer issuance is completing on schedule with work in preparation for the next set of offers for H1 (Lower Midlands), H2 (South East) and B (West) completing on target. The majority of initial meetings with transmission customers have also now taken place and this initial phase of Gate 3 customer meetings will complete on schedule in July. Additional meetings will be scheduled with customers in advance of their offers as required. Issuance of offers for H1 and H2 will commence from early summer followed by offers for area B. Constraints report publication is currently on hold as per above.

Offers to generators in Area D were issued on target by 1 April 2010. In addition, since the last Liaison Group Meeting, DSO has handed over shallow connection reports for Areas F and J to TSO, bringing the total to 8 areas over 41 110kV nodes. All customer meetings are now complete. An impact assessment to take account of the final direction on Distribution contestability is well underway although not yet submitted to CER for approval. Overall Distribution contestability is expected to impact on distribution offers for the offer issuance phase (as distinct from the planning phase which primarily determines connection methods and associated costs) of the programme.

The following is a list of the progress on key tasks relating to the CER's Gate 3 inter-related work-streams since the last scheduled Gate 3 Liaison Group meeting which was held on the 27th April:

1. Joint Pricing Principles

Following a review of the comments to the consultation ([CER/09/137](#)) the rebating principles are being revisited by the System Operators. A **decision** paper is scheduled for completion before mid-June 2010.

2. Contracts Process

Following the initial consultation on the high level process for implementation of the "fixed date with payments" approach it was decided that further detailed consultation was necessary. This consultation ([CER/10/048](#)) was published in March, 2010 and closed on 14th May. The consultation covered the levels of payments, margins, etc. & other rules. The decision is scheduled to issue by mid-July.

3. Contestability for Distribution & Transmission Level Connections

Following consultation ([CER/09/127](#)) in September 2009 the Commission published a proposed decision ([CER/09/193](#)) in December 2009 entitled "Contestability for Distribution & Transmission Level Connections to the Electricity System". The DSO and the Commission published the final decision ([CER-10-056](#)) in April 2010.

4. Locational Signals Options, (includes all-island TUoS & TLAFs).

The Regulatory Authorities plan to publish a proposed decision paper by early-June 2010.

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5. Capacity Payments Mechanism (CPM)

An initial consultation on the scope of the medium term review of CPM was held in 2009 with an [Information Note](#) published in November 2009. The Regulatory Authorities plan to publish a consultation paper in Q3 2010 followed by a decision paper in Q1 2011.

6. Capacity Relocation

The Commission plans to publish the consultation paper in June 2010.

System Operators Deliverables/Milestones

DELIVERABLE/MILESTONE	DUE DATE	REQUESTED NEW DATE	STATUS	EXPLANATION OF VARIANCE
ITC Run				
ITC Program Execution	06/07/2009 to 26/01/2010		Complete	
Firm Access Date Review				
Third Party Technical Review	06/07/2009 to 18/01/2010	06/07/2009 to 26/01/2010	Complete	
FAQ Publication				
2010-2017	18 th Dec 2009		Complete	
2018-2021	20 th Jan 2010		Published on 29 th	
2022-2025	29 th Jan 2010		Complete	
CER Review and Sign off	06/07/2009 to 29/01/2010		Complete	
Offer Process				
TSO/DSO Connection Method Meetings	01/05/2009 – 02/07/2010		In Progress	

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DELIVERABLE/MILESTONE	DUE DATE	REQUESTED NEW DATE	STATUS	EXPLANATION OF VARIANCE
TSO Connection Method Introductory Meetings	01/05/2009 – 21/09/2009		Complete	
Application Fees (balance)	07/01/2011		Not Started	
DSO Shallow Connection Reports	31/07/2009-10/09/2010		In Progress	
TSO Connection Offers to DSO	26/11/2009 – 31/05/2011		In Progress –	
Issue Transmission and Distribution Connection Offers	17/12/2009 - 30/06/2011		In Progress –	
Publish Constraints Info	19/03/2010-29/06/2011		On Hold –	Area K and D reports have been completed on schedule – A publication date is currently under review with the commission

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Key Issues

The following issues are flagged for attention

No.	Issue and Action Needed	Date Raised	Priority (H-M-L)	Responsibility	Status (New, Open, Closed)	Date Closed
1	Rules for processing of temporary connections - awaiting All-Island dispatch and Scheduling direction to be finalised	July 2009	H	CER	Open	
2	Capacity relocation requests – interim ruleset being considered for processing existing requests	February 2010	H	CER	Open	
3	Rebates may need to be processed for reduction in application fees	March	M	SO's	Open	
4	Publication of constraints information on hold	March	H	CER	Open	
5	Some changes to the standard form of DSO connection agreement	March	H	DSO/CER	Open	
6.	Completion of Impact assessment on the introduction of Distribution Contestability	April	H	DSO/TSO	Open	

Key Risks

The following risks are flagged for attention

No.	Risk Description	Risk Probability	Level of Impact	Trend	Mitigation Approach	Contingency Approach
1	ITC results do not meet policy objectives	Low-Medium	High	↓	Refer to CER.	Re-run ITC and reschedule Project Plan
2	Policy decisions delayed / content of decisions impacts on project schedule	Medium-High	High	↑	On-going communication of impact with CER and Industry	Reschedule Project Plan
3	Resources become unavailable	Low-Medium	High	↓	On-going resource planning, detailed resource assessments and project governance structures	Address resource shortfall Reschedule Project Plan
4	Scope Creep: Project scope extends beyond processing offers resulting in delays to the issuing of connection offers	Low	High	↔	Ensure scope of project is documented and communicated effectively	Reschedule Project Plan
5	Current assumptions for constraint reports may change pending the publication of the final direction on dispatch and scheduling resulting in a delay to the constraints schedule	Medium	High	↑	On-going industry consultation and co-ordination with CER	Reschedule Project Plan
6.	Final decision on Distribution contestability may impact on offer schedule	Medium	High	↔	Mitigation measures difficult to finalise in advance of final decision	Reschedule Project Plan

CER Inter-related Projects

Ref.	CER Workstream	Workstream Description	Consultation Paper			Decision from CER		
			Due Date	Revised Due Date	Status	Due Date	Revised Due-Date	Status
1.	All-Island dispatch and scheduling	Confirmation by CER of dispatch and scheduling rules	April '09	July '09	Completed Consultation (SEM-09-073) published 8th July '09 Workshop held 28th August '09	Late July '09	Proposed decision Q3 2010	To be discussed by SEM Committee on 29 April
2.	Treatment of Renewable, Small and Low Carbon Generators outside the GPA	Decision by CER on which non-GPA plants receive connection offers	March '09	-	Completed Consultation published March '09	End May '09	July '09	Completed Decision published 24th July '09
3.	Standard Costs and Timelines	3.a) Confirmation by CER of standard costs and leadtimes.	October '08	-	Completed published October '08	April '09		Completed Decision published 1st May '09
		3.b) Open Book						Further consideration of Open Book approach is deferred until results and effectiveness of contestability are known. Refer to workstream No. 8 below for decision on 'open-book' approach.

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Ref.	CER Workstream	Workstream Description	Consultation Paper			Decision from CER		
			Due Date	Revised Due Date	Status	Due Date	Revised Due-Date	Status
4.	Treatment of Conventional Applications	Decision by CER on the conventional plants to receive connection offers in tandem with Gate 3.	Feb '09	-	Completed Consultation (CER/09/114) published Feb 2009	Not applicable	Not applicable	Not applicable
			Proposed Direction May '09	Proposed Direction July '09	Completed Proposed Direction published July '09	End October '09	December '09	Completed Direction (CER/09/191) published December 2009
5.	Joint Pricing Principles and Losses Policy	5.a) Approval by CER of the revisions to the Joint Pricing Principles (Charging) paper	June '09	Early August '09	Completed Consultation (CER/09/137) published 18.08.09	End October '09	CER to issue decision by mid-June 2010	Charging and Rebating principles were revised and resubmitted in March by SOs
		5.b) Losses policy for distribution connected generators					January 2010	Completed Direction (CER/10/010) published January 2010
6.	Networks Connection Policy	General Connection Policy including capacity bonds	April '09	-	Completed Proposed Direction (CER/09/138) published April '09	June '09	August '09	Completed Decision (CER/09/138) published 25.08.09

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Ref.	CER Workstream	Workstream Description	Consultation Paper			Decision from CER		
			Due Date	Revised Due Date	Status	Due Date	Revised Due-Date	Status
7.	Contracts Process	7.a) DSO Standard Connecton Agreement	June '09	August '09	Completed Consultation (CER/09/145) published on 1 st Sept '09	August '09	December '09	Completed Direction (CER-09-198) published December 2009
		7. b) Consultation on charter for “fixed date with payments” approach to connection	March, 2010		Completed Consultation (CER/10/048) March 2010	-	Q2, 2010	Consultation closed 14 May
8.	Contestability for Distribution & Transmission Level Connections to the Electricity System	Decision regarding Distribution and Transmission Contestability.	Early August '09	-	Completed Consultation (CER/09/127) published August '09 Proposed decision paper (CER/09/193) published in December 2009	Nov '09	End-March 2010	Completed Direction (CER-10-056) published 15 April 2010
9.	Locational Signals Options, (includes TUoS & TLAFs)	Decision on all-island generator TUoS charges and TLAFs.	Consult on Multiple Options May '09	-	Completed Consultation published May '09 Workshop on Options held on 17th June '09	Not applicable	Not applicable	Responses published mid-August 2009

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Ref.	CER Workstream	Workstream Description	Consultation Paper			Decision from CER		
			Due Date	Revised Due Date	Status	Due Date	Revised Due-Date	Status
			Consult on Proposed Option(s) & Tariffs/Factors Nov. 2009	-	Completed SOs' preferred options consultation published 26 th November '09 SEM-09-107a	Q1 2010	Decision early-May 2010	Consultation closed 8.01.2010
10.	Allocating Scheduled Firm Access in Gate 3 ITC Programme	Detail for Allocating Scheduled Firm Access in Gate 3 ITC Programme	Late October 2009	-	Completed Consultation published 21 October 2009 (CER/09/169)	December 2009	On Track	Completed Direction (CER/09/192) published December 2009
11.	Capacity Payment Mechanism (CPM)	Medium Term Review of CPM	September 2010	On track	Initial Consultation held in 2009 with an Information Note published in November 2009	Q1 2011		
12.	Relocation of Capacity		June 2010		On track			

Open Change Requests*

ICR 048	Oriel change of connection method	09/03/2010	TSO	Medium
ICR051	Merger of Toonagh 1 and 2	29.04/2010	DSO	Medium
ICR052	Merger of Scartaglen 2 and Carrigas 2	29.04/2010	DSO	Medium
ICR053	MEC Change of Killthumper	29.04/2010	DSO	Medium
ICR054	MEC Change of Loughderryduff	29.04/2010	DSO	Medium
ICR055	Removal of IMERA and Ballywater	18.05.2010	CER	Medium

* All of the above Industry Change Requests have been approved by both SO's and formally sent to the CER. They will be assigned a status of closed on publication of the next revised node publication list.