

William Carr
Coolkeeragh ESB
2 Electra Road
Maydown
BT47 3YJ

15th May 2018

UR Reference – CNO/E/TH/370

Dear William

Coolkeeragh ESB Revised Derogation Request

I write in response to your email of 16th February 2018 seeking a derogation for the Coolkeeragh C30 Generator from the Rate of Change of Frequency (RoCoF) Generator Performance Incentive (GPI) payments.

Your revised application follows a previous derogation request of 24th August 2017 which sought an exemption from the GPI payments until the end of March 2018. Our letter¹ of 1st December 2017 set out our decision to not grant a derogation.

The revised submission seeks an exemption from the GPI payments to the 15th of June 2018. Our approach, assessment and decision on the revised submission are set out below.

Approach

In reaching our December 2017 decision we took into account the following factors:

1. The UR Decision Paper of 7th May 2014²;
2. That the deadline for receipt of derogation requests in relation to the RoCoF GPI mechanism was 10th August 2015;
3. That GPI payments have applied to Coolkeeragh C30 since 1st June 2016;
4. That a lack of detail has been presented in relation to achieving compliance with the RoCoF standard, namely specific dates in which the various works required will be carried out;
5. That a clear date has not been specified in relation to achieving compliance with the RoCoF standard.

Our assessment below on the revised submission has again considered each of these factors.

We have also sought comment on the revised derogation request from the System Operator for Northern Ireland (SONI).

Assessment

The UR Decision Paper of May 2014 concluded that a RoCoF standard should apply in order to meet renewable policy targets. The Decision Paper also included time

¹ [Utility Regulator Decision Letter - 1st December 2017](#)

² [Utility Regulator Decision Paper on the Rate of Change of Frequency Grid Code Modification - 7th May 2014](#)

limits by which compliance should be achieved. Where generators failed to achieve compliance within this timeframe, the GPI mechanism would apply.

Our Decision Paper also included arrangements where generators could apply for a derogation to be excluded from the GPI mechanism for non-compliance.

However a derogation request had to have been submitted to the Utility Regulator no later than 10th August 2015. No derogation request was received by that date and Coolkeeragh C30 has been subject to GPI payments since 1st June 2016; following the Single Electricity Market Committee (SEMC) decision³ confirming that the mechanism would apply.

We also note that the revised submission does provide some additional detail regarding the specific dates in which the various works required will be carried out. This is provided alongside associated risks to the delivery of the modifications.

The revised submission also indicates that Coolkeeragh C30 will be in compliance with the RoCoF standard by 15th June 2018 as this marks the end of the outage period to implement the technical requirements that will address non-compliance.

However in its response SONI have advised that, although the 15th June 2018 marks the end of the outage period, the unit will not be deemed compliant until testing has been successfully completed, as per the RoCoF process. There are no testing timelines agreed with the TSO at present.

Therefore we note that a clear date has not been specified in relation to achieving compliance with the RoCoF standard.

Utility Regulator Decision

Following the above assessment and having given due consideration to all relevant factors, the Utility Regulator has decided to not grant the revised derogation request.

Signed

Name: Tanya Hedley

Authorised by and on behalf of the Northern Ireland Authority for Utility Regulation

³ [SEMC Decision \(SEM-16-027\)](#)