NIE Energy Limited
Power Procurement Business (PPB)

Trading & Settlement Code
Annual Parameters for 2012

Consultation Paper

SEM-11-074

Response by NIE Energy (PPB)

30 September 2011.

Introduction

NIE Energy – Power Procurement Business ("PPB") welcomes the opportunity to respond to the consultation paper on the Trading & Settlement Code Annual Parameters for 2012.

Comments

1. Parameters for the determination of Required Credit Cover.

PPB agrees that the current Fixed Credit Requirement for Generator Units of €5,000 should be retained for 2012.

PPB agrees that the Fixed Credit Requirement for Netting Generator Units should be reduced to €1,000 for 2012.

PPB agrees that that it is more appropriate for the Fixed Credit Requirement for Supplier Units in 2012 to be based on the size of demand with a minimum level of €1,000 and an upper limit of €15,000

PPB agrees that the current Historical Assessment Period for Billing Period of 100 days should be retained for 2012.

PPB agrees that the current Historical Assessment Period for Capacity Period of 90 days should be retained for 2012.

PPB agrees that the current Analysis Percentile Parameter of 1.96 should be retained for 2012.

PPB agrees that the current Credit Cover Adjustment Trigger of 30% should be retained for 2012.

2. MSP Software Penalty Cost Parameters

PPB has no reason to dispute SEMO's analysis and therefore agree that the existing values should be retained for 2012.

3. Annual Capacity Exchange Rate

PPB agrees that the Annual Capacity Exchange Rate should be calculated as close to the start of the year for which it applies.

4. Parameters used in the calculation of Uninstructed Imbalances

PPB agrees that the current parameters should remain for 2012.

5. Flattening Power Factor

PPB agrees with the TSOs that it would be inappropriate to change the FPF from the current value of 0.35 given the current CPM structure. PPB will respond separately to any consultation on changing the structure of the CPM.