

# **Proposed Conditions of Market Operator Licences**

**Consultation Paper AIP/SEM/159/06**

**:**

**AES Kilroot Power Response**

## **Executive Summary**

AES Kilroot is of the opinion that there should be a single MO, the role should be put out to international competitive tender, and ownership of the MO should be independent of the market participants.

We see the appointment of the existing SO's to the MO role as being a potential barrier to a transparent and competitive Market.

If you would like to discuss any of the points raised or require any further clarification please do not hesitate to contact us at –

Energy Markets Project Manager  
AES Kilroot Power Station  
Larne Road  
Carrickfergus  
Northern Ireland  
BT38 7LX

Tel 00 44 (0)28 93351644

AES Kilroot is pleased to have the opportunity to comment on the recent consultation paper - Consultation Paper AIP/SEM/159/06, Conditions of market operator licences.

In general we welcome the contents of the consultation and feedback is limited to.

1. Appointment of the MO's

In order for market participants to have confidence in the independence of decision making by the MO and sanctity of data and information conveyed, the MO should be independent of the market participants in every respect. This objective is best served through ownership of the MO being independent of that of the market participants.

Further more, clear unambiguous separation of the SO and MO would also best be served by organisations of different ownership and issuing of separate licences.

An independent MO would be best appointed by having a competitive tender for a single position of MO. This would ensure that there could be no accusations of unfair dispatching in the SEM and would ensure efficient execution of the role and minimise the cost of the SEM to consumers.

The most economic method of running the market would be with the appointment of a single market operator.

2. Section 3.7 allows for regular performance reports to the RA's. Market participants should also have access to these reports as long as the information contained does not disclose information which could reduce their competitive edge.