



**TYNAGH ENERGY**  
**L I M I T E D**

Stephen Powell  
Commission for Energy Regulation  
The Exchange  
Belgard Square North  
Tallaght  
Dublin 24

Ref: TEL/08/EOD/047

14<sup>th</sup> March 2008

**RE: Bidding the Opportunity Cost of Carbon Allowance CER/08/006**

Dear Stephen,

Tynagh Energy Limited (TEL) welcomes the chance to respond to this consultation on the bidding the opportunity cost of carbon.

TEL believes that to alter the Bidding Code of Practice to allow generators to bid anything other than the full cost of carbon would be a fundamental shift away from the basis on which the Single Electricity Market was developed and would be a move to undermine the market objectives that have been accepted by market participants.

To interfere with the operational Bidding Code of Practice would be an act of regulatory intervention that would only serve to increase the perceived level of regulatory risk associated with the Irish market which could ultimately deter future investment.

Furthermore to allow generators flexibility in their treatment of carbon costs would place some generators at an unequal commercial footing and ultimately promote generators that have a dominant market position.

In summary, TEL fully supports the Regulatory Authorities viewpoint that the Bidding Code of Practice should remain unchanged.

Yours sincerely,

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Eamonn O'Donoghue  
Snr. Risk Mgmt. & Regulatory Specialist

**cc:** Tadhg O'Briain  
NIAUR

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