



Dana Kelleher
Single Electricity Market Committee
c/- Commission for Energy Regulation
The Exchange,
Belgard Square North,
Tallaght

24/02/2011

Dear Ms Kelleher,

RE: Consultation on the Extension to the Criteria for Approval of Intermediary Applications under the Trading and Settlement Code (SEM-11-004)

Indaver welcomes this consultation as both timely and necessary for the operation of its waste-to-energy generating facility in Co. Meath, due to commence electricity generation from June 2011.

As you will be aware, the status of waste-to-energy facilities in the dispatch schedule is currently unclear. Until further direction is provided on this issue, waste-to-energy facilities cannot operate as price takers and cannot otherwise enter into an arrangement with an intermediary to access the REFIT support that has been allocated to them. We therefore support the proposal from the SEM Committee extending the criteria for intermediary applications as it will allow waste-to-energy to enter the market in the short term.

We also look forward to a decision in the medium to long term on the status of waste-to-energy in the dispatch schedule that could enable them to operate as price takers. It is our position that this would be in line with the Renewables Directive (2009/28/EC), which acknowledges waste-to-energy as a source of renewable energy and therefore, that it should qualify for mandatory priority dispatch. Since the current intermediary extension would not support waste-to-energy facilities in Northern Ireland (which cannot avail of REFIT), a priority dispatch decision is important for enabling facilities to realise energy and waste policy targets¹ in both jurisdictions.

In the meantime, we believe that allowing price making generation to sell to an Intermediary under the criteria outlined in (a) and (c) is consistent with and supports previous SEM Committee's decisions. It maintains the important check on the aggregation of market power, while continuing to progress the pragmatic usage of the Intermediary concept, as allowed for in previous refinements to the Intermediary qualification criteria decisions.

¹ This is described in more detail in previous submissions to the proposed position paper SEM-10-060



It is not clear, however, why criteria (b) limiting the generator's maximum export capacity to 50MW has been included. Other waste-to-energy facilities have already been proposed in the Republic of Ireland that could generate at least 60MW. We would therefore encourage the MEC limit to be increased to facilitate the potential for larger facilities that are equally restricted by current intermediary rules.

Finally, it is noted that until a decision is made on the intermediary extension, Indaver's generating licence and related supply licence (under Indaver Energy) applications cannot be processed by the CER. This is because the combined business plan requires the activation of a REFIT PPA between the generation and supply business, which is currently predicated on the outcome of the consultation.

We would therefore be grateful for a timely resolution of this consultation, to enable the Meath waste-to-energy facility to commence exporting electricity from the time it becomes operational in June 2011.

Yours Sincerely,

A handwritten signature in black ink that reads "Downey". The signature is written in a cursive style and is positioned below the "Yours Sincerely," text.

Claire Downey
Waste and Energy Policy Advisor
Indaver Ireland



Aerial view of Meath waste-to-energy site – January 2011