

TYNAGH ENERGY
L I M I T E D

Karen Shiels
Utility Regulator
Queens House
14 Queens Street
Belfast
BT1 6ED

Kevin Lenaghan
Utility Regulator
Queens House
14 Queens Street
Belfast
BT1 6ED

Ref: TEL/JC/18/133

1st August 2018

RE: Response to SEM-18-034

Dear Karen, Kevin,

Tynagh Energy Limited (TEL) welcomes the opportunity to reply to this Capacity Market Code Modifications Consultation Paper (SEM-18-034). In the following paragraphs are TEL's responses to the modifications proposed by the SEM Committee in the consultation paper.

(i) CMC_01_18 - NIROCS in the CRM

TEL agree with the SEMC's position to disallow recipients of NIROCS from participation in the CRM, thus maintaining an adherence with the EC State Aid decision.

(ii) CMC_02_18 - Disclosures of Credit Agencies

To mitigate against participants receiving misleading and inaccurate credit ratings, which could potentially lead to systemic failures of the CM, TEL agree with the SEMC's proposal to modify the CMC to include rules related to full disclosure of all relevant information to Credit Agencies.

(iii) CMC_04_18 - Capacity Auction Participation Correction

TEL agrees with the proposed modification to remove the inconsistency within the CMC with regards to treatment of New Capacity.

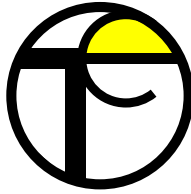
(iv) CMC_05_18 - Combining Candidate Units into a Capacity Market Unit

TEL agree with the Proposal to units which share a steam turbine into singular Capacity Market Units. Without this modification, there may be the need for future regulatory interventions if only a portion of a participant's linked units were to be successful in upcoming Capacity Market Auctions, leaving the participant at risk of failing to recover subsequent go forward costs.

Although, this should only apply where the units share a steam turbine, if this were to be applied to all same site units, there would be a significant impact on the liquidity of the auction.

**Block A, The Crescent Building, Northwood Park, Santry
Dublin 9 D09 X8W3
IRELAND**
TEL: +353 (0) 1 857 8700
FAX: +353 (0) 1 857 8701

DIRECTORS
Gerald Friel (US), Catherine Kelly (US)
Bran Keogh (IRE), Diarmuid Hyde (IRE)
Arif Ozozan (BE)
REGISTERED NUMBER: 378735



(v) CMC_06_18 - Disaggregation of Performance Securities to Capacity Market Unit.

As the RA's checked the robustness of the underlying sections of the Capacity Market Code in question, TEL have no objections to the SEMC's position to reject this Modification Proposal.

(vi) CMC_07_18 - Information Published following a Capacity Auction

TEL echo the sentiments of the Working Group Feedback and the RA's that Capacity Auction results should be made available to the wider market in a more timely manner. The comparison between the current timeline (approx. 4 weeks between participant notification and final publication of results) and the GB market (3 working days) is testament to this proposed modification.

I trust that these comments will prove helpful and should you have any queries, please do not hesitate to contact me.

Yours sincerely,

John Casley

Market and Regulation Analyst