## **Brookfield**

Emailed to: afitzpatrick@cru.ie, lan.McClelland@uregni.gov.uk

RE: SEM-20-033 Consultation on Intermediary Arrangements in the SEM

Dear Sirs,

Brookfield Renewable welcome the opportunity to respond to the public consultation on Intermediary Arrangements in the SEM.

Brookfield Renewable Ireland is part of Brookfield Renewable Partners L.P., one of the largest publicly traded renewable power platforms, operating across Europe, North America and South America, with over 10,000MW of hydroelectric and wind capacity across 15 power markets. Brookfield Renewable's Irish portfolio consists of over 360MW of operating wind capacity and a 200MW wind development pipeline. Our power operating platform employs over 2,200 people globally, including over 80 people in our Cork office across Operations, Development, Construction and Wholesale Power Marketing capabilities.

Brookfield Renewable are supportive of the proposals outlined in the consultation paper, provided that any amendments uphold the original goals of Intermediary Arrangements; namely, to facilitate the transfer of contracts, to facilitate the integration of renewables and to control market power. In relation to the transfer of contracts, we request that the SEM Committee ensure there is an efficient process in place to facilitate the transfer of contracts in a timely manner and reduce barriers to entry for market participants.

Consultation Question 1: The RAs propose to revise Part C of the eligibility criteria to allow for a broader range of market participant categories to apply and also to provide for renewable units which may be dispatchable and/or controllable to take part in such arrangements. The revised criterion would be; where a Wind Power Unit, a Pumped Storage Unit, a Battery Storage Unit, a Demand Side Unit or a Solar Power Unit with a Maximum Export Capacity of less than 100MW is contracted to a Supplier that is Party to the TSC.

Brookfield Renewable support this proposal. We agree that the eligibility criteria should be expanded to a broader range of market participants, including additional technologies as well as units that aren't involved in a support scheme, as this will facilitate corporate PPAs in the renewables sector.

Consultation Question 2: The RAs propose to allow Suppliers to take part in Intermediary arrangements. Do you agree with this proposal and do you have a view on whether this should be available to all suppliers or only to those below a certain threshold of market share?

Brookfield Renewable support the proposal that allow Suppliers to take part in Intermediary Arrangements and are of the opinion that this should be available to all suppliers. Should the arrangements only apply to suppliers below a certain market share threshold, we believe that this threshold should be 10% of total market share, rather than 10% of a specific market segment.

Consultation Question 3: The RAs propose that an additional criterion is added to the Trading and Settlement Code to allow for specific registrations to be approved once they meet the SEM Committee's specific objectives in this area. A Modification to the TSC would be raised following this Consultation to provide for this change. Do you agree with this proposal?

Brookfield Renewable support this proposal.

**Date:** 7 July 2020

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Consultation Question 4: The RAs propose to publish a quarterly report on the SEM Committee website setting out the details of the current Intermediary arrangements in place in the SEM. Participants involved in these arrangements would be required to notify the Ras and SEMO of any changes to these. Do you agree with this proposal?

Brookfield Renewable support this proposal, as it would provide greater market transparency.

Consultation Question 5: What is your view on the potential added value of the application of Intermediary Arrangements in the Ex-Ante Markets?

Brookfield Renewable support this proposal, as it would facilitate improved efficiency in each market timeframe.

Consultation Question 6: Are there limitations to the current arrangements which could be revised to better facilitate corporate PPAs?

Brookfield Renewable consider that the proposed amendments suggested in Question 1, namely the broadening of the eligibility criteria to include a wider range of market participants as well as units that aren't involved in a support scheme will better facilitate corporate PPAs. We request that should any changes be implemented; the SEM Committee will maintain the ability for revenues to flow to Participant level rather than Party level.

Consultation Question 7: Are there further changes to the FoA that the Regulatory Authorities should consider?

Brookfield Renewable have no further changes to suggest in relation to the Forms of Authority.

In summary, Brookfield Renewable welcome the proposed amendments outlined in the consultation paper.

Yours sincerely,

Niamh O'Sullivan

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