29th April 2011

Mr Paul McGuckin,
Moyle Interconnector Limited,
First Floor, The Arena Building,
85 Ormeau Road,
Belfast BT7 1SH

Via email

Re: Post Auction Platform Implementation

Dear Paul,

Endesa Ireland welcomes the opportunity to respond to the consultation paper on Post Auction Platform Implementation.

Question 1: We would welcome views on the introduction of daily auctions, particularly whether they are desirable and/or practical and also on the preferred timing for a daily auction.
Endesa Ireland considers that daily auctions are desirable. Regarding the proposal for the daily auction to be held on D-1 in advance of first SEM Gate Closure at 9.30, Endesa Ireland considers that it is necessary to have the auction results by 9am (which would require the auction to begin at 8am with gate closure at 8.30am) to enable bidding into the UK day ahead auction where gate closure is 9.30am Mon-Thurs and 9.15am on Friday (for Saturday).
Question 2: What would users' preference be in relation to UIOSI versus UIOLI in the SEM intraday capacity allocation process?
Endesa Ireland agrees with Moyle that there should be a charge for implicitly allocated capacity, which should be recovered in SEM bids. Endesa Ireland believes that the revenues generated by charges should be paid to the original capacity holder. If the interconnector owner is to be permitted to recover any of this charge it should be limited to recovering any additional costs incurred in reallocating the capacity. Given our central commitment model rather than self-dispatch, this is an appropriate divergence from the standard model. This will benefit customers as the original capacity holders have paid for the capacity and that cost must be recovered; it is most equitable for the person making use of the capacity to pay for it.
Question 3: Does this suite of products meet the needs of potential bidders in the capacity auctions? Is there appetite for any other product types such as weekly?
Endesa Ireland is satisfied with the range of products proposed in the consultation paper.

Endesa Ireland Ltd, 3 Grand Canal Plaza, Dublin 4, Ireland Tel: (01)522 8300 Fax: (01) 522 8301

Question 4: Is our indicative allocation of capacity across each timeframe in the respective directions appropriate for participants' needs? Is there genuine demand for longer term export products? We would welcome any suggestions for improvement.
Endesa Ireland would like to see capacity sold according to the following proportions: a) Annual auctions – 30% b) Monthly auctions – 30% c) Daily auctions – 10% d) Other auction types: • Quarterly – 15% • Seasonal – 15%
Question 5: Are calendar day products desirable and would these be of any more or less value than trading day products?
Endesa Ireland considers that trading day products are preferable.
Question 6: We would appreciate users' views on how this issue (general auction timing) may be dealt with and whether they have any preference as to which auctions are scheduled to close first?
Endesa Ireland considers that no explicit coordination of auction timing should be required, this should be determined by competitive pressures on an arm-length basis between interconnector owners.
Question 7: Are the timings proposed for annual auctions appropriate? Are there specific dates that participants would prefer these auctions to be held?
Endesa Ireland does not have preferred specific dates, but requests that the indicative dates for auctions should be published one year in advance, firm dates could be published quarterly for the year ahead.

Please don't hesitate to contact me should you wish to discuss any aspects of this response.

Regards,

Deirdre Powers
Director, Energy Management