

## Ireland Public Service Obligation (PSO) – Auction Processes 2008/09

### Auction Reserve Prices

19<sup>th</sup> June 2008

This note is intended to notify market participants of the Reserve Prices for the scheduled contracting processes for the ROI PSO-backed contracts for next year's standard contracting period of 1<sup>st</sup> October 2008 to 30<sup>th</sup> September 2009.

As was the case last year, Ireland PSO-backed contracts will be made available to the market through the NDC process by ESBPG on the dates indicated below. This will comprise **600 MW of quarterly Baseload products, offered in three auctions at 200 MW per auction**. The dates for the PSO auctions are:

- 23<sup>rd</sup> June: Ireland PSO Event 1
- 26<sup>th</sup> June: Ireland PSO Event 2
- 1<sup>st</sup> July: Ireland PSO Event 3

The Reserve Prices for these PSO contracts have been calculated using the validated PLEXOS model 2008/09<sup>1</sup>, updated with recent fuel and carbon prices, and exchange rates. Due to the recent volatility in fuel prices the CER has used the average of two weeks fuel, carbon and exchange rates<sup>2</sup>, from the 30<sup>th</sup> May to the 12<sup>th</sup> June 2008, inclusive.

The Reserve Prices for the PSO-backed Quarterly Baseload products are as follows:

Ireland PSO Contract Reserve Prices 2008/09	
Q4 2008	€106.14 MWh
Q1 2009	€117.09 MWh
Q2 2009	€98.97 MWh
Q3 2009	€99.12 MWh

<sup>1</sup> See <http://www.allislandproject.org/en/modelling-group-minutes-presentations.aspx?article=b4551173-1ff4-4378-a5a1-e74f9e342dae>

<sup>2</sup> The prices used are taken from the same sources as those in the Directed Contract process.  
Commission for Energy Regulation, The Exchange, Belgard Square North, Tallaght, Dublin 24, Ireland  
Ph: 353 1 4000800 Fax: 353 1 4000850