



The Secretary  
SEM Committee  
C/O The Commission for Energy Regulation  
The Exchange  
Belgard Square North  
Tallaght  
Dublin 24

By Post and Email

18<sup>th</sup> September 2009

**RE: SEM -09-073 "Principals of Dispatch and the Market Schedule in the Trading and Settlement Code"**

Dear Committee,

NOW Ireland, the National Offshore Wind Association of Ireland, is the representative body for enterprises developing offshore wind energy projects in Irish coastal waters, including Airtricity, Codling Wind Park, Saorgus Energy, Oriel Windfarm and Fuinneamh Sceirde Teo. The founding member companies of NOW Ireland are poised to make an investment in excess of €5 billion to develop over 2000 MW of offshore wind energy capacity in Ireland.

As indicated in a letter NOW Ireland sent to the SEM Committee on 25<sup>th</sup> August 2009 we are concerned that the contents of the SEMO discussion paper "Principles of Dispatch and the Design of the Market Schedule in the Trading & Settlement Code" (SEM-09-073) are in conflict with policy as laid out in relevant EU and National Regulations and in the recently published EU Directive on Renewable Energy. In particular, the section dealing with priority dispatch for renewables seeks to weaken the necessary operational commitment to this principle.

We have received legal advice and had initial discussion with Government and the European Commission on this matter, all of which indicates that proposals in this consultation, if enacted, would be in breach of EU legislation and contrary to Government policy.

While the members of NOW Ireland recognise that amendments to the Trading and Settlement Code will be required to facilitate an increasing penetration of renewable energy into the SEM, we are firmly of the opinion that proposals contained in the consultation

document, SEM-09-073, would damage Ireland's ability to meet its renewable energy targets and to meet its obligations under EU legislation.

We therefore request that the proposal document as currently drafted be withdrawn. Any decision to weaken the principle of priority of dispatch for renewable energy generators will result in immediate referral to the EU Commission and possible legal challenge.

We have consulted with our colleagues in the Irish Wind Energy Association and Meitheal Na Gaoithe on this issue and are fully supportive of the submissions they will be making in response to this consultation.

Yours Sincerely,

**NOW Ireland**

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Brian Britton, Secretary