

NIE Energy (Supply)'s Response to the Consultation Paper on the Fixed Cost of a Best New Entrant Peaking Plant & Capacity Requirement for the Calendar Year 2010

NIE Energy Supply (NIEES) welcomes the opportunity to comment on the Consultation Paper on the Cost of a Best New Entrant Peaking Plant.

NIEES has reviewed the consultation paper and welcomes the additional transparency afforded by the paper produced by CEPA Ltd and Parsons Brinkerhoff. NIEES is generally supportive of the approach taken to calculating the fixed cost of a best new entrant peaking plant for 2010, however NIEES notes that the RAs have amalgamated the consultation on the calculation methodology into their medium term CPM review. NIEES remains very mindful of the impact of volatility in capacity charges and payments on customers and also on existing and prospective generators and hopes that this will be addressed in the forthcoming medium term CPM review.