

IWEA Response to SEM-09-077

Joint Regulatory Consultation on

SEMO Revenue and Tariffs for October 2009 – September 2010

Date: 13/08/09

The IWEA welcomes the opportunity from the Joint Regulatory Authority to respond to this consultation document. However, concerns have been raised over a potential reduction in SEMO resources which may adversely impact market participants.

European Directive 2009/28/EC, on the Promotion of Renewable Energy Sources has established a binding target of 20% of overall EU energy consumption to come from renewable sources by 2020 and Ireland's target under the directive is for renewable resources to account for 16% of total energy consumption by 2020. In line with our commitments under this directive Minister Eamon Ryan T.D., announced in late 2008 a revised target for electricity from renewable energy sources (RES-E) of 40% by 2020. Northern Ireland is currently developing a Strategic Energy Framework and it is anticipated that this will result in a similar target. It is widely acknowledged that wind energy will contribute the vast bulk of these targets.

To that end it is vital that all mechanisms are in place to ensure adequate servicing of requirements for wind generators to access the market. While we have seen the level of activity required from SEMO in servicing the needs of the wind energy sector grow substantially in the past year, we would expect this to continue to grow as the sector develops and hence the number of market participants increase.

The industry has experienced improved service levels from SEMO, in particular in relation to the registration of market participants. This improved service level needs to be maintained as access to the market cannot be seen as a barrier to development of this sector.

IWEA would request that SEMO be provided with sufficient resources to manage the market to meet the additional obligations and the improved service levels which SEMO have delivered to participants to date.