

Annual Capacity Payment Sum, Best New Entrant Price and Capacity Requirement

Final Figures for 2011

Date: 6 August 2010

The Best New Entrant (BNE) Peaking Plant for 2011 is an **Alstom GT13E2** firing on **distillate fuel**, sited in **Northern Ireland**.

The estimated annualised fixed cost, net of estimated infra-marginal energy rent and ancillary service revenue, is **€78.73/kW/year**.

The Capacity Requirement for 2011 is **6,922MW**.

The product of these price and quantity elements yields an Annual Capacity Payment Sum (ACPS) for the 2011 Trading Year of **€ 544,956,545.05**

When comparing the above figures to those proposed in the Consultation Paper ('Fixed Cost of a Best New Entrant Peaking Plant & Capacity Requirement for the Calendar Year 2011' (SEM-10-034))¹, the following items have been reviewed and changed in calculating the final annualised fixed cost of the BNE Peaker:

- 1) The Exchange rate and Oil price have been updated to the most up-to date figures.
- 2) The Ancillary Services Costs have been updated to reflect run hours of 2%. The appropriate estimate of the penalties likely to be faced by the BNE Peaker has been updated resulting in a reduced Ancillary Services Cost.
- 3) The Capacity Requirement has been updated to reflect an update to the Northern Ireland Demands Forecasts and updated connection dates of wind generation available in 2011 resulting in an increase of 20MW to 6,922MW.

Year	BNE Peaker Cost (€/kW/yr)	Capacity Requirement (MW)	ACPS (€)
2011	78.73	6,922	544,956,545.05

Table 1.1– ACPS for the Trading Year 2011

Decision Paper

A Full Decision Paper explaining the SEM Committees Decisions for the ACPS in 2011 will be published shortly.

¹ http://www.allislandproject.org/en/cp_current-consultations.aspx?article=ab764619-7dee-4b19-afb2-d38b728bcfd4