

**Fergus O'Toole  
Commission for Energy Regulation,  
The Exchange,  
Belgard Square North,  
Tallaght,  
Dublin 24**

**Paper: SEM-11-106 Consultation Paper on Generator Financial Reporting in the SEM**

Dear Fergus,

I am submitting the following on behalf of ESB Energy International, Independent Generation, in response to the above consultation. We are pleased to have the opportunity to respond with comments in relation to this consultation. ESB Independent Generation owns and operates a portfolio of thermal and renewable generation assets in the SEM and other international markets.

We note in your paper the desire to create a more transparent financial reporting requirement for SEM Generators. I would suggest that the serious analyst or potential investor would not be satisfied with the high level reporting templates proposed and would want to study detailed company accounts which are available for public companies. Irish and UK legislation contains very detailed provisions for what needs to be reported in accounts, and complex mandatory accounting standards provides detail on how exactly reporting should be performed. The reporting templates proposed by the SEM committee should not seek additional details that are not readily available in the public accounts. However, on the assumption that the reporting templates would have some value to the casual analyst, there are some items which we believe could be misleading or cannot be reported by generators in such a high level format.

Specifically the line items "Revenue from Contract Difference Payments" and "Other Revenue" reporting items should be excluded from the template. It should be noted that many Contracts for Differences will contain confidentiality clauses when written. It is often the case that these contracts between different parties need to remain confidential and out-turns may not be individually itemised in the accounts. If a supplier wishes to have a confidential agreement in place with a third party generator then it is perfectly entitled to do so, and the generator is therefore not in a position to report out explicitly on the contract out-turn. The legislation governing the



publication of accounts recognises this, and therefore we suggest that if the accounts do not require individual reporting of CfD outcomes then the proposed Financial Reporting Template should not either. Similarly even for non-confidential CfDs, it would not make sense to have some generators reporting on them while others could not.

The “Other Revenue” line item is also a concern in that generators may have income or costs associated with non-energy trading activities. As examples, a generation technology provider may make compensation payments for their equipment not making contracted requirements, a wind farm land owner could have income from mobile phone masts located on their land etc etc. The “Other Revenue” category is too broad and potentially misleading in that many of these revenues may be from sources not directly linked to generation and energy trading activities.

Yours sincerely,

**Tom Mooney**

---

**Energy Contracts Manager,  
Independent Generation,  
ESB Energy International  
Floor 4D-3,  
27 Lower Fitzwilliam Street,  
Dublin 2**

Tel: +353 (0)1 7021129 Mobile: +353 (0)87 6455827 <mailto:tom.mooney@esbi.ie>

BY E-MAIL