



13th July 2012

Clive Bowers,
Commission for Energy Regulation,
The Exchange,
Belgard Square North,
Tallaght,
Dublin 24

Re: SEM-12-040 - Trading & Settlement Code Administered Settlement Policy

Clive,

Endesa Ireland welcomes the opportunity to respond to SEM-12-040 – Trading and Settlement Code - Administered Settlement Code.

Endesa Ireland agrees with the proposals made in the paper but considers that criteria should be set out for the choice of a historic day. If there were to be an Administered Settlement the choice of historic day is important and has serious implications for market participants, particularly with the increase in cross-border trade as a result of the commissioning of EWIC and the commencement of the Intra-Day Trading facility. On this basis we consider that it would be preferable for the sake of transparency for objective criteria to be set out to guide SEMO's discretion. The criteria should include, for example, a day on which the following values are similar to the trading day:

- demand forecast
- fuel and carbon prices
- Spread between the BETTA and SEM price (upon which decisions to trade over the interconnectors are based).

Please don't hesitate to contact me should you wish to discuss this response.

Regards,

A handwritten signature in blue ink that reads 'Marian Troy'.

Marian Troy
Markets and Regulatory Analyst