



**Response to Consultation on
TSC Operational Parameters 2013 – SEM-12-082**

26th October 2012

Airtricity is pleased to respond to the RAs' consultation paper on *Trading and Settlement Code Annual Parameters for 2013*.

1. Parameters for the determination of Required Credit Cover

We agree that the credit cover parameters should not be changed.

2. MSP Software Penalty Cost Parameters

We agree that the Penalty Cost Parameters be unchanged, and that the slack variables proposed in Mod_15_12 be set as proposed.

3. Annual Capacity Exchange Rate

We consider that the Annual Capacity Exchange Rate should continue to be set annually as we believe that it is open to concerned parties to hedge the exchange rate. Fixing the exchange rate risks being too expensive for customers if actual exchange rates vary greatly from the rate set; we are not convinced that any manner of setting the capacity exchange rate would provide sufficient certainty.

4. Parameters used in the calculation of Uninstructed Imbalances

Airtricity agrees with the proposal that parameters used in the calculation of Uninstructed Imbalances be unchanged.

5. Flattening Power Factor

Airtricity considers that the Flattening Power Factor should remain unchanged as we do not feel that a higher FPF would be an effective way of ensuring availability, as stated by the TSOs, generators aim for high availability at all times in any case and the proposed change would serve to increase investment risk.