



11th Oct 2013

Mr Robert O'Rourke
Commission of Energy Regulation
The Exchange
Belgard Square North
Tallaght
Dublin 24

Re: Aughinish Alumina Ltd. response to the SEM Consultation Paper (SEM/13/060)

Dear Robert

This is the response of Aughinish Alumina Limited to the SEM consultation paper (SEM/13/060) on DS3 System Services. This response is not confidential.

Background :

Aughinish Alumina Limited ("Aughinish") is a large alumina manufacturing refinery based in the mid-west region since 1983, employing almost 600 people. Aughinish is one of the largest users of power in the SEM, consuming 45MW of power 363 days of the year. In 2006 (7 years ago), Aughinish commissioned and constructed a 160MW combined heat and power plant ("CHP") to meet the power and heat needs of the alumina refinery.

Requirement for DS3 System Services:

We understand the necessity to improve system services on the basis that Ireland has committed to achieving a target of 40% renewable generation by 2020. Such a significant increase in non-synchronous generation will have a major impact on the operation of the all-island grid.

Power Quality for Manufacturing Industries:

To ensure the competitiveness of Aughinish in the global alumina market it is essential that the power system quality is of a high standard. It is incumbent on the SEM Committee not only to promote the interests of consumers by promoting effective competition but also to ensure power quality does not deteriorate as a result of market changes. In order to continue to attract inward investment in manufacturing industries and jobs, Ireland must not accept any deterioration in power supply quality but should strive to be world class in this area.



Proposed System Services:

Based on the information available to date we do not believe the system services proposed by the SEMC will adversely affect the CHP generation plant in Aughinish (however as mentioned above any adverse impact on power quality could impact the manufacturing plant).

Definition of System Services

In general Aughinish agree with the proposed definitions of system services.

Synchronous Inertial Response: Inertia response is scarce during times of high non-synchronous generation. The 15 second minimum threshold might exclude remuneration for a lot of the beneficial inertia used to stabilise the power system. It is the view of Aughinish that this threshold should be removed.

Yours sincerely

John G Ryan
Energy, Engineering and
Gas Boiler Project Manager