Moneenatieve Wind Farm Ltd.

Barrowford, Athy, Co. Kildare Tel: 059 8634570 Fax: 059 8634571

Mr Warren Deacon Commission for Energy Regulation The Exchange Belgard Square North Tallaght Dublin 24

30-1-2015

Re: I-SEM – Consultation on the Aggregator of Last Resort: SEM-14-106

Dear Mr Deacon

MWFL welcomes the opportunity to comment on the proposed options for an Aggregator of Last Resort (AOLR). It is crucial that there is a route to market for all market participants, including small windfarms, which are out of support.

The following are some comments on the 3 proposed options which should be taken into account.

Option 1: This would provide a proper platform for the trading of electricity but it is likely to have a high set up cost and potentially could compete against a commercial trading entity.

Option 2: This is the closest to conventional trading in the market but requires a significant involvement by the generator. This would necessitate considerable trading knowledge by the generator and somewhat negates the benefits of an AOLR.

Option 3: This appears to be the most cost effective and could easily be left in place for perpetuity. However, how would it work in the intra-day market? Could the bidding mechanism lead to a distortion in the market by commercial trading entities predicting the AOLR trades?

It is difficult to clearly understand how each of the propose options will work in the new market as full details of the market are not yet available. As such MWFL does not have a firm position on which of the options is the most suitable; however a number of issues must be considered in the design of the AOLR.

- 1. Volume of generation that is likely to require a AOLR (this could be less than 200 MW)
- 2. Proposed cost of the service and how that will be recovered
- 3. AOLR must be enduring
- 4. The design must encourage the development of commercial aggregation
- 5. AOLR must assume market obligations
- 6. The performance of the AOLR must be transparent.

Yours sincerely,

Sheila Layden, Director

Directors: Padraic A. White (Chairman), Anita Layden, Sheila Layden

Registered Office: Arigna, Carrick-on-Shannon, Co. Roscommon Registered in Ireland – Number 337610