



**TYNAGH ENERGY**  
**L I M I T E D**

Kevin Hagen  
Commission for Energy Regulation  
The Exchange  
Belgard Square North  
Tallaght  
Dublin 24

Kenny Dane  
Utility Regulator  
Queens House  
14 Queens Street  
Belfast  
BT1 6ED

REF: TEL/CJD/15/041

06<sup>th</sup> March 2015

**Re: RLG Markets Workshops**

Dear Kevin / Kenny,

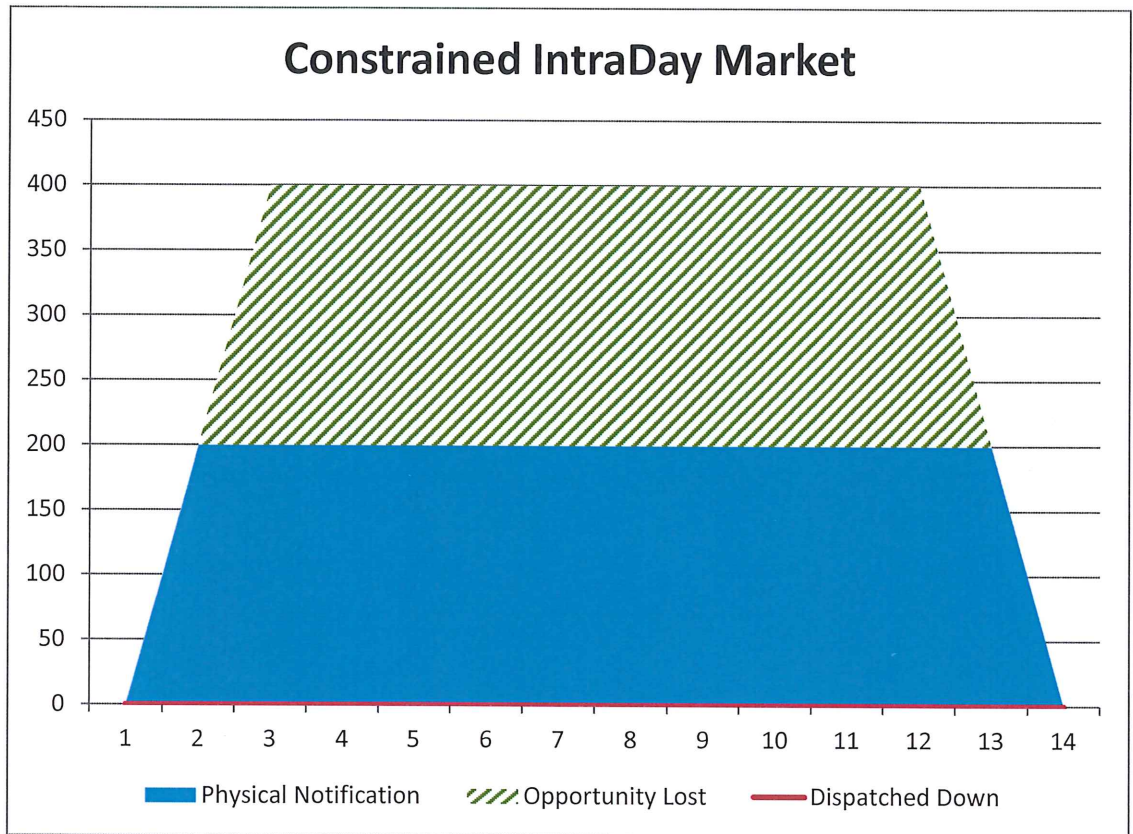
TEL welcomes this opportunity to respond to the 'Markets' RLG workshops. TEL has concerns over two aspects of the Balancing Market as outlined in the RLG's.

- 1) At RLG 2.2 it was mentioned that with Absolute bids the dec price would always be equal and opposite to the inc price. However, this is not the case. For example if you were being inc'd up from a physical notification you would need to consider the cost of daily gas capacity. If you are being dec'd you may not save gas capacity as you may have an annual gas capacity booking. As such the inc and dec will not be mirror opposites.
- 2) It has been proposed that early BM actions may take place in advance of the closure of the IntraDay Market. However, those plants who are constrained off during the intraday (as part of an early BM action) will lose their opportunity to trade on the IntraDay. Effectively a constrained IntraDay Market. If you imagine a 400MW CCGT which has a Physical Notification of 200MW (mingen). The plant is constrained down by the TSO to 0MW with four hours notice for the subsequent 8 hours. For that 12 hour period, the plant will not be able to trade on the IntraDay. This will mean that there will be a lost opportunity. The TSO has indicated that generators will only be able to trade in the same direction as the constraining instruction which removes the ability of the plant to capture additional volume.

---

**The Crescent Building, Northwood Park, Santry  
Dublin 9  
IRELAND**  
**TEL:** +353 (0) 1 857 8700  
**FAX:** +353 (0) 1 857 8701

**DIRECTORS**  
Mr Gerald Friel (USA), Mr John Cote (USA)  
Mr Bran Keogh (IRE), Mr Diarmuid Hyde (IRE)  
Mr Arif Ozozan (BE)  
**REGISTERED NUMBER:** 378735



Yours sincerely,

  
Cormac Daly  
I-SEM Analyst

**TYNAGH ENERGY LIMITED**

**The Crescent Building, Northwood Park, Santry, Dublin 9, IRELAND**

**TEL: +353 (0) 1 8578700 • FAX: +353 (0) 1 8578701**