

**Power NI Energy Limited
Power Procurement Business (PPB)**

**Trading & Settlement Code
Annual Operational Parameters for 2017**

Consultation Paper

SEM-16-057

Response by Power NI Energy (PPB)

28 October 2016.



Introduction

Power NI Energy – Power Procurement Business (“PPB”) welcomes the opportunity to respond to the consultation paper on the Trading & Settlement Code Annual Operational Parameters for 2017.

Comments

1. Parameters for the determination of Required Credit Cover.

PPB has no reason to dispute SEMO’s analysis and therefore agree that the existing values should be retained for 2017.

2. MSP Software Penalty Cost Parameters

PPB has no reason to dispute SEMO’s analysis and therefore agree that the existing values should be retained for 2017.

3. Parameters used in the calculation of Uninstructed Imbalances

PPB agrees that the current parameters should remain for 2017.

4. Flattening Power Factor

PPB again welcomes the recognition by the TSOs that market participants seek to be available and that generator units do not readily react to the ex-post capacity signal. PPB has, since the commencement of the SEM, consistently expressed the view that generator units generally have little scope to respond to ex-post signals and this is evident from the TSOs’ analysis.

PPB therefore agrees with the TSOs that the current FPF value of 0.35 should be retained for 2017.