



SEM Monitoring Report: Q3 2016

SEM-17-003

December 2016

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2. INTRODUCTION

The Single Electricity Market (SEM) is the term that is used to describe the electricity market for the island of Ireland.

This report provides an overview of the SEM and sets out recent trends in the market in relation to pricing, demand, scheduling and contract prices. It focuses in particular on the wholesale element of electricity prices, which makes up roughly 60% of customers' bills.

The report was prepared by the Market Monitoring Unit (MMU); the MMU resides within the Utility Regulator Northern Ireland, the main monitoring function of the Regulatory Authorities in joint collaboration with the Commission for Energy Regulation (CER). The unit's role is to investigate market power within the SEM and to monitor compliance of market participants with regards to the Bidding Code of Practice (BCoP) and other market rules. Another aspect of the roles and responsibilities of the MMU is to review market prices. This report covers this particular area of the SEM, along with some others; the key areas are:

- An overview of how the market works and key trends observed over the lifetime of the SEM
- Detailed market information on price (System Marginal Price) and quantity (Market Scheduled Quantity and Dispatch Quantity)
- Information on trends in directed contracts which are imposed by the Regulatory Authorities on the incumbent generators with market power in the SEM.

The information in this report is based on data that was provided by the Single Electricity Market Operator (SEMO), except where otherwise indicated.

Any feedback or comments that stakeholders may have should be emailed to:

- Kevin Baron at kevin.baron@uregni.gov.uk.

3. OVERVIEW

1. **Wholesale costs:** Wholesale electricity costs during the third quarter of this year increased on those in the second quarter of 2016. Capacity Payments slightly increased to €136m from €135m in Q2 2016.
2. **SEM Price (System Marginal Prices “SMP”):** SMP decreased to €37/MWhr on average for the quarter. Since 2012 the SMP has decreased from (on average) €72/MWhr in Q1 2013 which is a substantial reduction over that time period (a 49% reduction). This quarterly average is the lowest SMP in the history of the SEM.
3. **Fuel Price:** Gas prices decreased to just under 37 p/therm in July to just under 34 p/therm at the end of Q3 2016. The historically low gas prices are a key contributor to low wholesale prices. The minimum value observed in this period was just over 21 p/therm.
4. **SEM demand (Market Schedule Quantity “MSQ”):** The average demand for Q3 2016 was 3608 MW and is broadly what is expected for that time of year. The demand in Q2 2016 was roughly 3% higher.
5. **Interconnector Flows.** Flows across the interconnectors continued to fluctuate around the profitable direction. This ‘profitable direction’ occurs when a flow is transmitted across the Interconnectors from one wholesale energy price zone (the “lower”) to another (the “higher”).
6. **Fuel mix:** While gas continues to be the dominant fuel in the SEM; wind is a significant share of the overall mix whereas Interconnector share has dropped significantly, due to the lower Interconnector availability.
7. **Directed contracts:** On average, the prices of directed contract baseload, mid-merit and peak products for 2017 sold to date are 12-14% lower than those sold for 2016, and 29-33% lower than those sold for 2015. The volumes for 2016 were 10% higher than 2015 and 7% above 2014.
8. **Constraint Payments.** Constraint Payments for Q3 2016 were €43m, this is a 7.5% increase on Q2 2016.
9. **Make Whole Payments.** In Q3 2016 a total of €1,203,491 was paid in Make Whole Payments, of which €1, 114, 747 was paid out to Interconnector Users. The peak occurred in Q3 2014 when €2,238,000 was paid to Interconnector Users.

4. SUMMARY

This section provides a high-level analysis of trends that are observed across the main elements of the SEM:

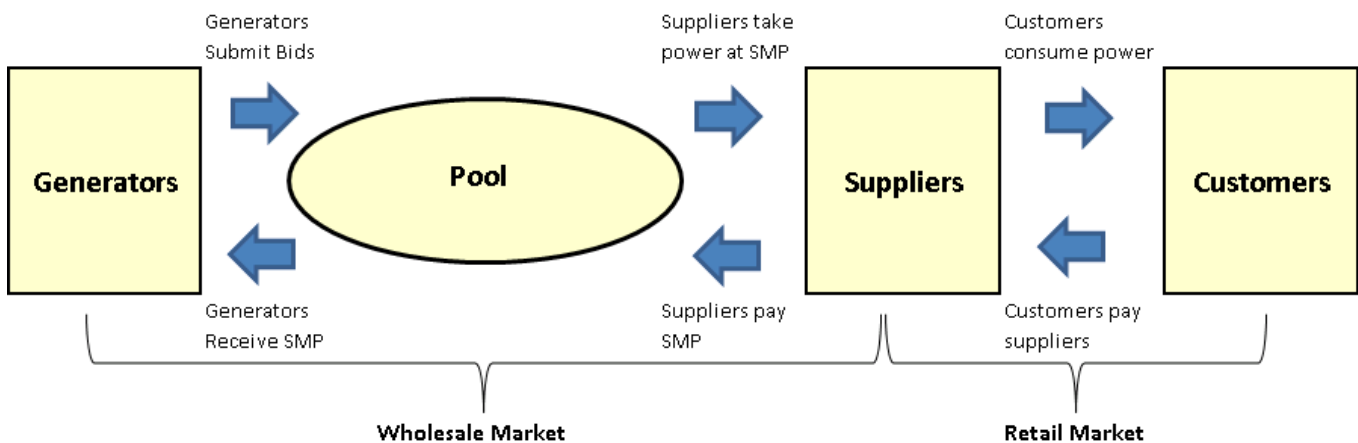
1. **Background to the SEM:** This section explains how the market works, and in particular the way in which generators bid to provide the required electricity.
2. **Electricity prices:** This section provides a high level breakdown of wholesale energy costs for the previous nine quarters.
3. **System Marginal Price (SMP) and Demand:** This section provides information on the SMP and Demand levels since 2010.
4. **Within day Energy Prices:** This section shows the average price and demand for each trading period in the previous nine quarters.
5. **SMP Shadow Price & Uplift:** SMP can be broken down into two components - the Shadow Price and Uplift. This section looks at the impact of changes in SMP for Q3 2016.
6. **Fuel mix:** This section outlines the changes in the type and proportion of fuels that were used for generation over the previous nine quarters.

How the Single Electricity Market works

This section provides a brief overview of how the SEM operates. The SEM is the electricity market for the island of Ireland. It was introduced in November 2007. The SEM is jointly regulated by the Utility Regulator and the Commission for Regulation (referred to in this report as the Regulatory Authorities).

The SEM is a pool market through which all suppliers and generators above a minimum threshold must trade electricity. A market overview is shown below.

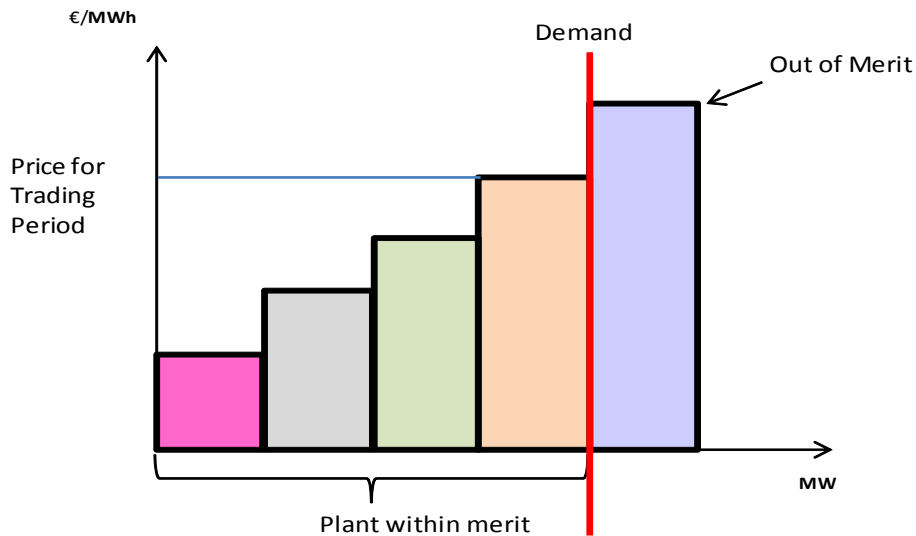
Figure 1: Market Overview



Generators submit bids to the market based on their short run marginal costs (as required by their licences and by the Bidding Code of Practice). These bids are mostly made up of fuel-related costs.

The SMP is determined for each half hour period, based on bids received from generators and customer demand. The SMP and schedule of generation is calculated by SEMO using optimisation software. Broadly speaking, bids that are submitted by the generators are stacked in order, starting with the least expensive, until demand is met. This process is illustrated in Figure 2:

Figure 2: Market Schedule



All generators that are scheduled (run in the market) are paid the same SMP for the energy they produce. Supply companies, which sell electricity to customers, pay the SMP for the electricity their customers consume.

Generators also receive Capacity Payments for any periods that they are available to generate. This contributes towards their fixed, long-term costs.

If there are constraints, a generator may be dispatched in a way that is different from the market schedule in order to balance supply and demand. These generators are said to be either 'constrained on' or 'constrained off'. Generators that are constrained off will pay back a payment and those that are constrained on will receive a payment. This ensures that generators are financially neutral for any differences between the market schedule and actual dispatch.

Settlement of the market is carried out by SEMO. This includes payment to generators and the invoicing of suppliers. The cost of operating SEMO is recovered from suppliers. This is a relatively small contributor to costs and is not covered in this report.

Electricity prices

Electricity prices are made up of a number of different charges, broadly, they are:

- Wholesale costs (around 60%)
- Network costs (around 30%)
- Supplier costs (around 10%)

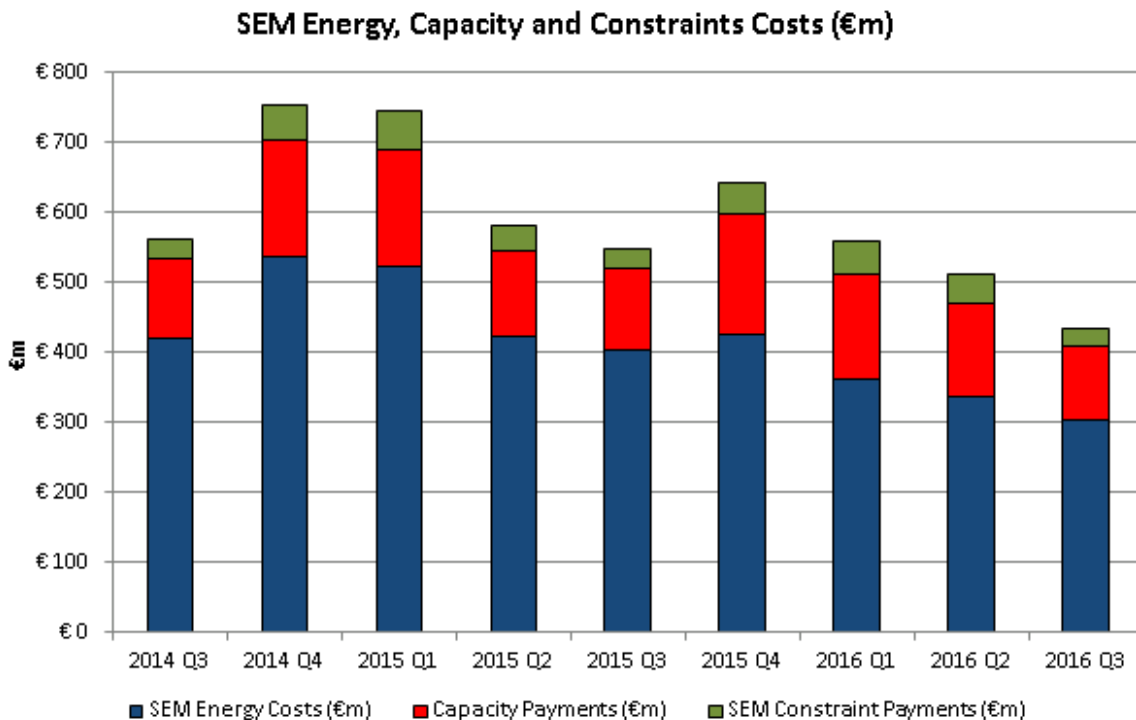
This report focuses on the wholesale element of electricity prices.

The main elements of the SEM wholesale costs are:

- Energy costs – Costs paid to generators for producing electricity
- Capacity costs – Costs paid to generators based on their availability to generate electricity
- Imperfections costs - Costs largely associated with network and system constraints.

The graph below gives a breakdown of these costs. The period covered is from Q2 2014 through Q3 2016.

Figure 3: SEM Costs



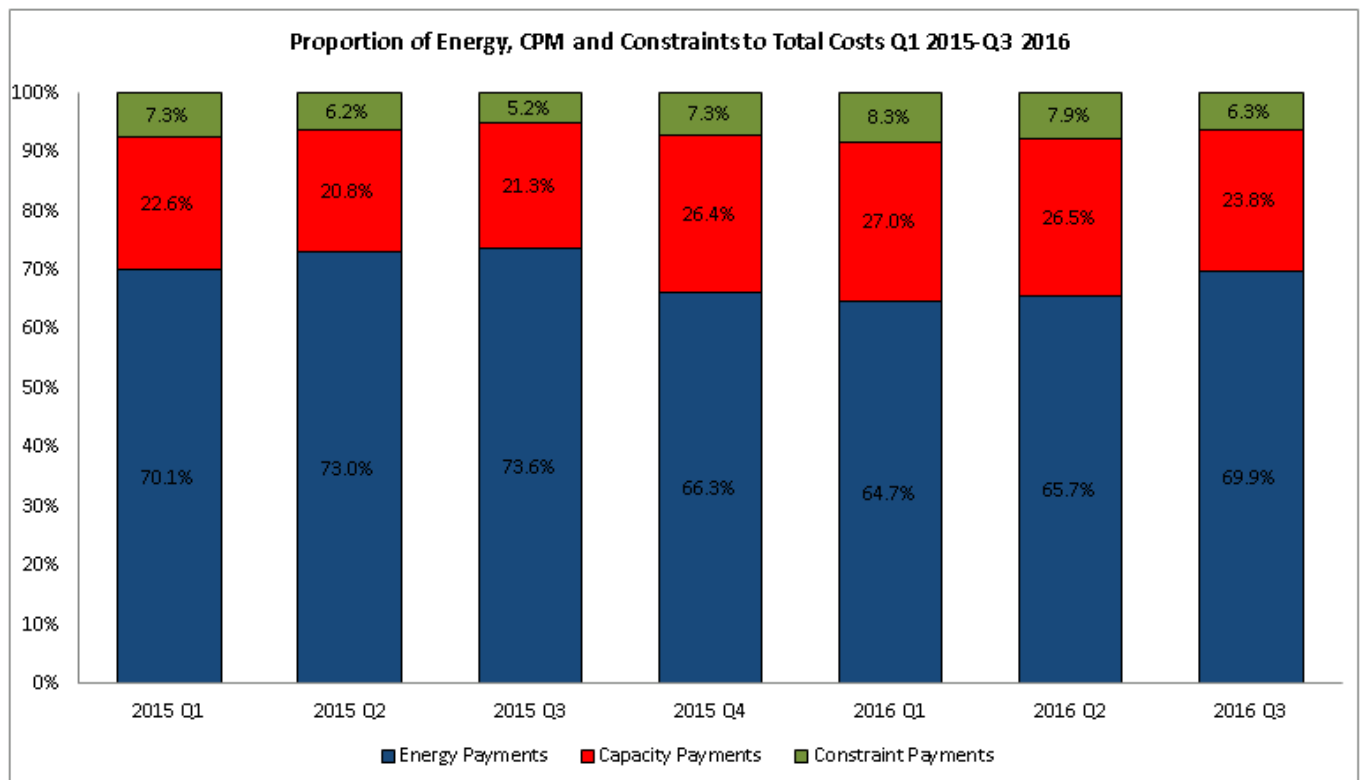
As the following chart shows, energy costs are the largest element of the overall wholesale cost. In the second quarter of 2016, 74.8% of total wholesale costs were attributable to energy. Constraints costs are roughly 4.2% of total energy costs for Q2 2016, in the last quarter this was around 8%.

The bar chart below shows the proportion of costs to the total for each quarter costs since Q1 2015.

Key factors in the costs below include the level of demand, the volume of wind generation, coal prices, carbon prices, generation plant availability and interconnector flows from Great Britain.

Energy Costs as a Percentage of Total Wholesale Costs

Figure 4: Total percentage of Energy, Constraints and Capacity Payments.



System Marginal Price and Demand trends

Average SMP for Q3 2016 decreased to €37/MWh, which is €1/MWh lower than Q2 2016.

Levels of demand decreased from an average of 3701 MW in Q2 2016 to 3608 MW in Q3 2016.

The following figures show the average monthly SMP and the demand recorded in the SEM since 2012.

Figure 5: System Marginal Price in the Single Electricity Market 2012 - 2016

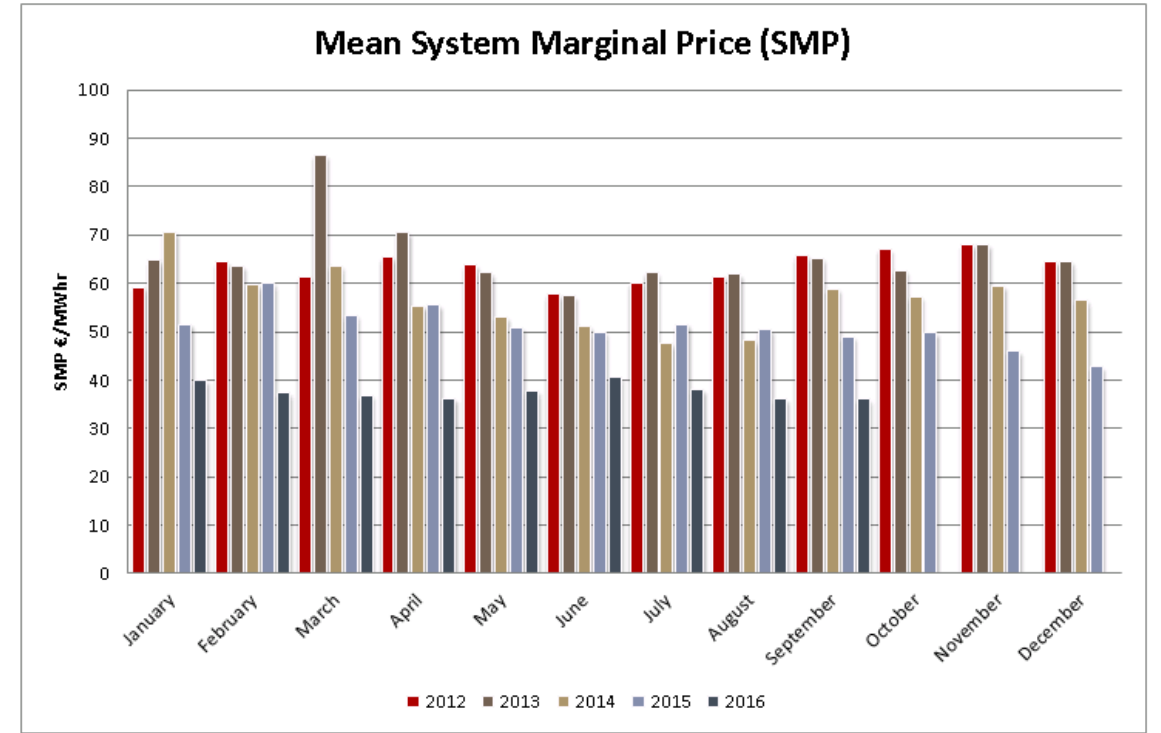
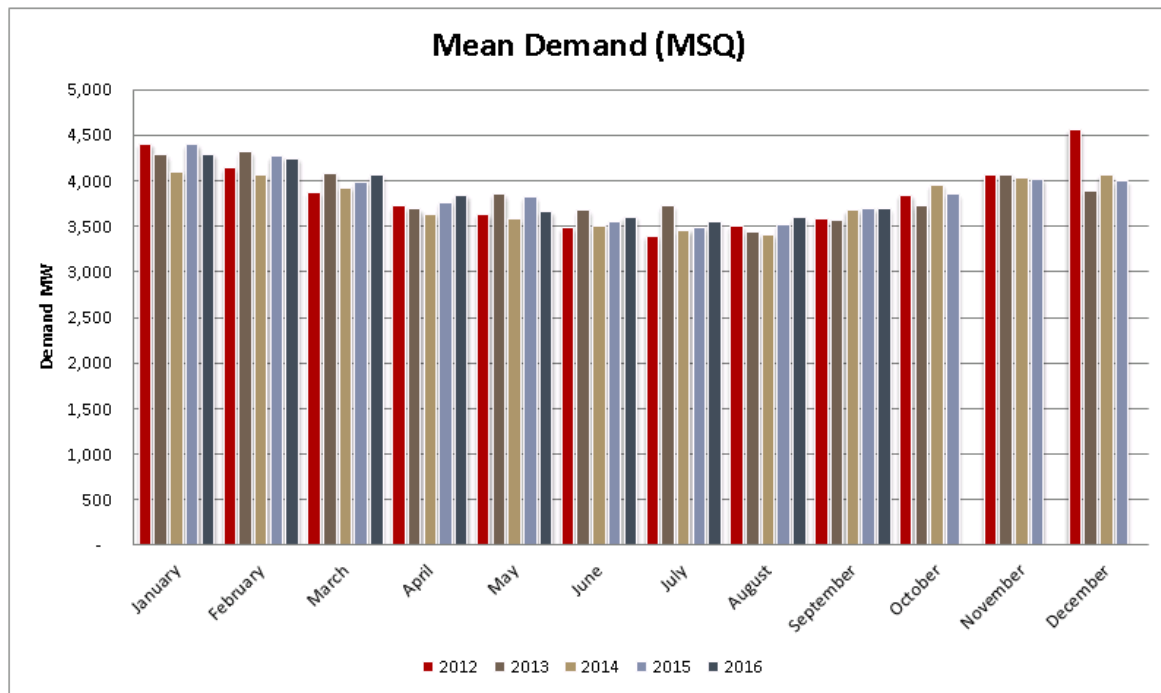


Figure 6: Demand in the Single Electricity Market 2012 - 2016



Analysis of the System Marginal Price

The SMP is made up of the following two components:

- The Shadow Price often reflects the marginal cost of the most expensive generator that is scheduled by SEMO. This makes up the majority of SMP.
- Uplift usually relates to a generator's Start-Up Costs and No Load costs (i.e. production costs that do not vary with the level of output). Uplift is incurred to ensure that all generators recover these costs over the Trading Day.

The figure below shows the average SMP profile, broken down by Shadow Price and Uplift for the previous quarter:

Figure 7: Average System Marginal Price profile during Q3 2016

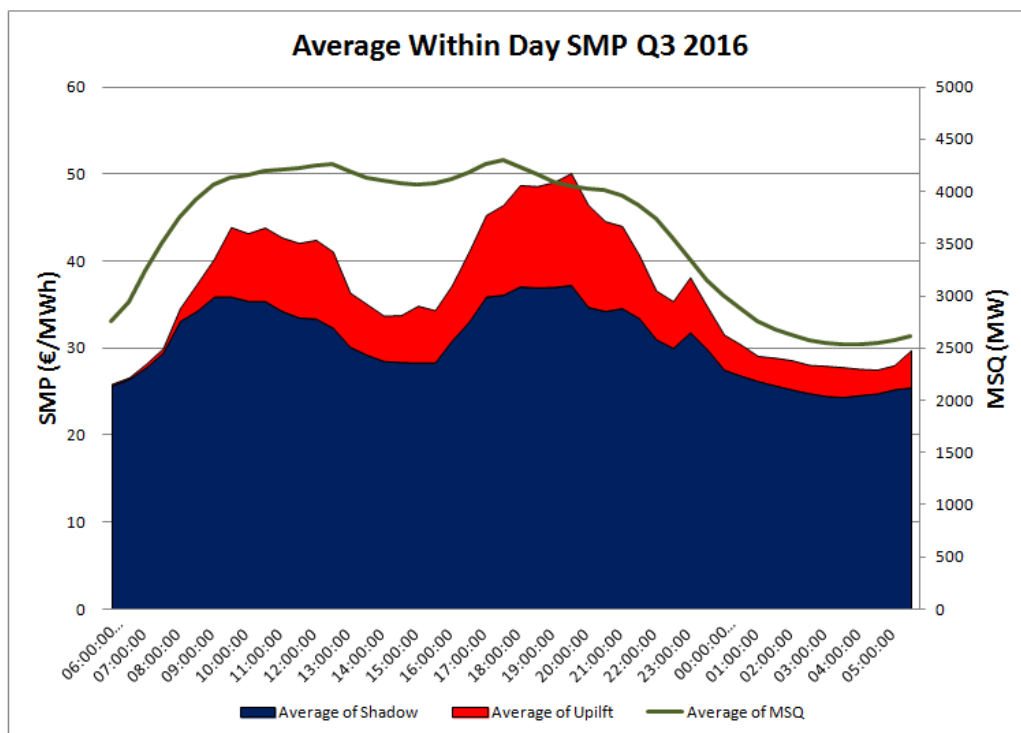
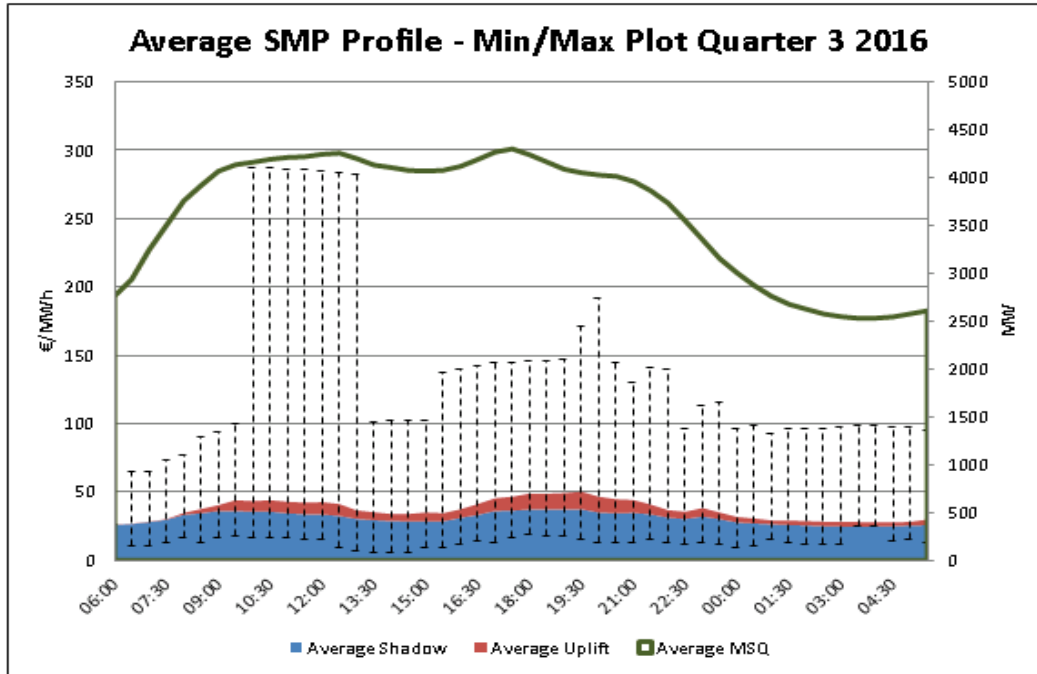


Figure 8: Average System Marginal Price Minimax Plot (Q3 2016)



The above plots show average SMP for Q3 2016 and the associated maximum and minimum values of (average) SMP recorded throughout the Quarter.

Figure 9a: Fuel Mix in the Single Electricity Market Q1 2012 – Q3 2016

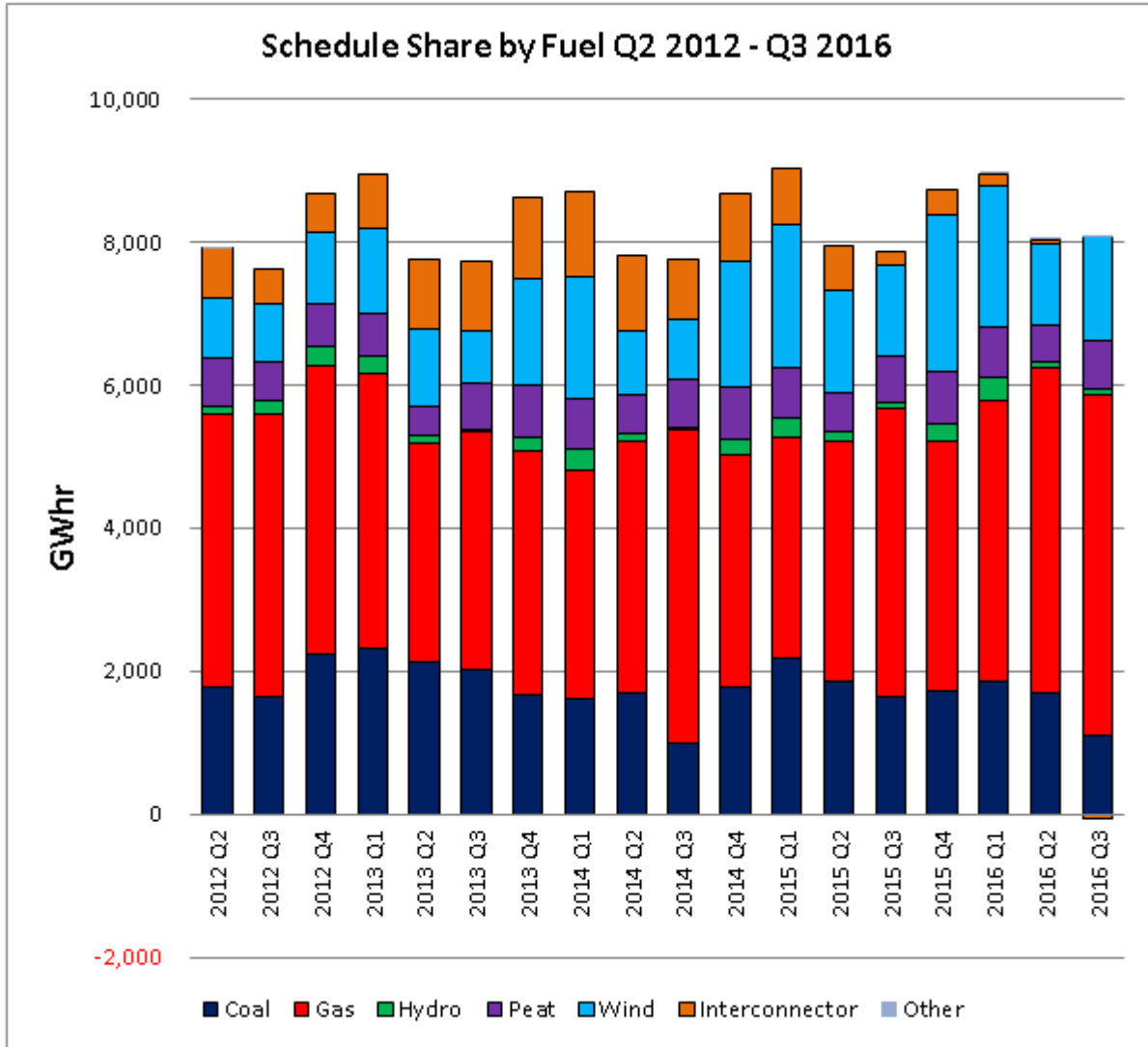
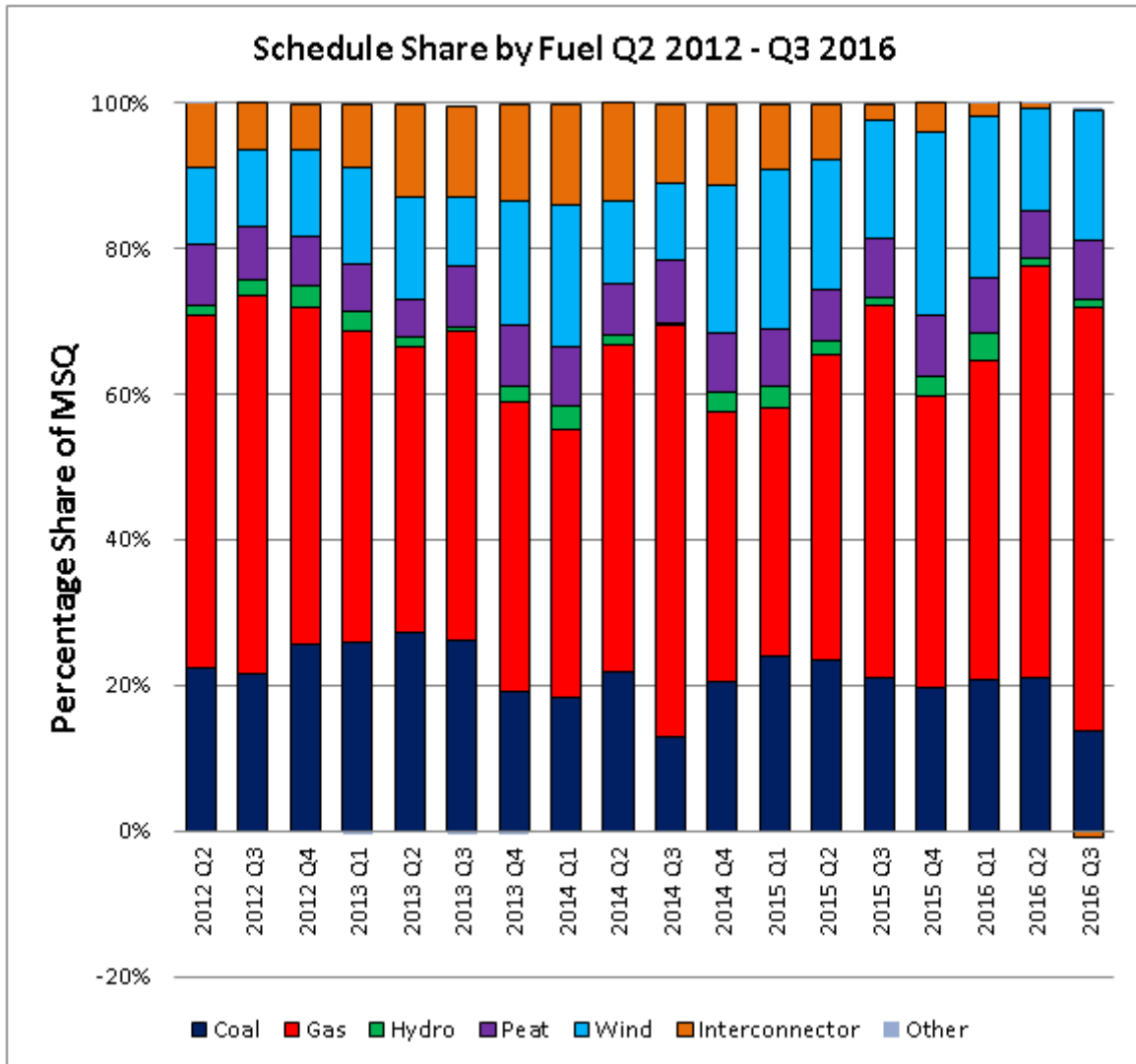


Figure 9b: Fuel Mix in the Single Electricity Market Q2 2012 – Q3 2016



Gas is the most common fuel that is used for electricity production in the SEM. The figure above shows the average percentage of generation by each fuel type and the total demand by fuel type in each quarter since the second quarter of 2012.

A number of trends can be observed:

- In Q3 2015, gas represented 51% of the fuel mix. This has increased to 60% in Q3 2016.
- The share of generation provided by Interconnector Units also decreased over the same period, standing at 2.4% in Q3 2015 decreasing to 1.9% in Q3 2016
- Wind share was 16% in Q3 2015. This has increased 18% MSQ in Q3 2016.
- The peak Market wind was at 12:30 pm on 16 February 2016, this was 2180 MW. The peak Q3 2016 Wind figure in the schedule was 2178 MW at 15:30 9 September 2016.

5. DETAILED MARKET INFORMATION

Summary

The following section provides more in-depth information on trends observed across the SEM:

1. **Dashboard.** This section builds on the previous chapter and explores quarterly trends that have been observed.
2. **Energy prices.** This section is presented in two main parts. The first covers the relationship between the SMP and prices in Great Britain (BETTA). The second covers the relationship between SMP and fuel/capacity prices.
3. **Market share.** This section looks at both the Market Schedule Quantity (MSQ³) and Dispatch Quantity (DQ⁴) by company.
4. **Constraints.** Levels of constraints in the SEM have increased considerably over the past nine months. This section analyses the cost to the consumer of constraint payments.
5. **Infra-marginal rent (IMR).** IMR is the difference between the price paid for generation and the cost to produce that generation. Levels of IMR are analysed and trends explained in this section.
6. **Interconnector Flows:** This section analyses the percentage of interconnector flows in the expected profitable direction.

¹ MSQ is the market scheduled quantity of output of all generators in each trading period.

² DQ is the Dispatch Quantity defined as the level of active power dispatched by the relevant transmission system operator in each trading period.

Figure 10: Single Electricity Market dashboard

Quarterly Averages	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Change From last Quarter
SMP €/MWh	62	62	67	72	63	63	65	65	53	51	58	55	53	50	46	38	38	37	→
% Change from previous Quarter	1%	0%	7%	8%	-12%	0%	3%	0%	-18%	-3%	12%	-4%	-4%	-4%	-8%	-17%	0%	0%	
% Change from Quarter, previous year	-1%	2%	11%	16%	1%	1%	-2%	-10%	-16%	-18%	-11%	-15%	-1%	-2%	-20%	-31%	-27%	-27%	
Margin MW	4677	5105	5552	5245	5421	5337	5536	5479	5073	5031	5785	6278	5125	5456	5233	6526	5764	5486	↘
% Change from previous Quarter	0%	9%	9%	-6%	3%	-2%	4%	-1%	-7%	-1%	15%	9%	-18%	6%	-4%	25%	-12%	-5%	
% Change from Quarter, previous year	4%	12%	15%	12%	16%	5%	0%	4%	-6%	-6%	4%	15%	1%	8%	-10%	4%	12%	1%	
Demand MW	3613	3444	3959	4132	3547	3492	3884	4021	3567	3506	3934	4137	3586	3564	3954	4155	3701	3608	↘
% Change from previous Quarter	-11%	-5%	15%	4%	-14%	-2%	11%	4%	-11%	-2%	12%	5%	-13%	-1%	11%	5%	-11%	-3%	
% Change from Quarter, previous year	1%	-2%	0%	2%	-2%	1%	-2%	-3%	1%	0%	1%	3%	1%	2%	1%	0%	3%	1%	
Actual Availability MW	8290	8549	9511	9377	8968	8829	9421	9500	8640	8537	9719	10415	8770	9020	9187	10681	9465	9094	↘
% Change from previous Quarter	-5%	3%	11%	-1%	-4%	-2%	7%	1%	-9%	-1%	14%	7%	-16%	3%	2%	16%	-11%	-4%	
% Change from Quarter, previous year	3%	6%	8%	7%	8%	3%	-1%	1%	-4%	-3%	3%	10%	2%	6%	-5%	3%	8%	1%	
Shadow €/MWh	46	46	50	53	44	44	46	47	37	36	43	41	40	42	38	32	33	27	↓
% Change from previous Quarter	-1%	1%	8%	6%	-18%	2%	4%	2%	-21%	-3%	18%	-4%	-1%	3%	-11%	-23%	-18%	-35%	
% Change from Quarter, previous year	-7%	3%	10%	14%	-5%	-4%	-8%	-11%	-15%	-18%	-7%	-13%	9%	16%	-11%	-23%	-18%	-35%	
Uplift €/MWh	17	16	16	19	20	19	19	18	16	15	15	14	12	8	8	6	5	10	↑
% Change from previous Quarter	8%	-4%	4%	13%	5%	-3%	-1%	-6%	-11%	-3%	-4%	-5%	-13%	-30%	0%	-20%	-20%	94%	
% Change from Quarter, previous year	20%	0%	14%	22%	18%	19%	14%	-5%	-20%	-20%	-22%	-21%	-23%	-44%	-45%	-54%	-57%	18%	
Interconnector (Total)	322	219	245	355	449	443	513	552	439	346	443	366	233	182	152	80	30	-70	↓
Moyle				205	190	111	197	244	128	65	294	253	202	139	26	35	-6	-20	
EWIC				150	259	331	315	307	311	281	149	113	31	43	126	45	36	-50	
% Change from previous Quarter	55%	-32%	12%	45%	27%	-1%	16%	8%	-20%	-21%	28%	-17%	-36%	-65%	-16%	-47%	-62%	-330%	
% Change from Quarter, previous year	4%	91%	-	71%	39%	102%	109%	55%	20%	-15%	-53%	-34%	-47%	-76%	-66%	-78%	-87%	-139%	
Wind MW (produced)	379	368	468	555	502	330	666	783	410	371	801	919	644	583	998	910	525	658	↑
% Change from previous Quarter	-34%	-3%	27%	19%	-10%	-34%	102%	18%	-48%	-9%	116%	15%	-30%	-9%	71%	-9%	-42%	25%	
% Change from Quarter, previous year	-13%	-3%	-35%	-4%	32%	-10%	42%	41%	-18%	12%	20%	17%	57%	57%	25%	-1%	-18%	13%	

Note: The wind figures presented in this table do not cover production from wind farms which are not part of the SEM.

Commentary

- Mean SMP was €37/MWhr in Q3 2016. This was a drop of €1/MWh on the second quarter of 2016. In Q3 2015, mean SMP was €50/MWhr. This is shown in the table above to be driven by the generally low Shadow Price (which in turn is driven by the gas price).
- Levels of demand have remained generally stable over the past nine quarters, with the usual seasonal fluctuations being observed. Comparing Q3 2016 with the same quarter in 2015 shows a 2% increase.
- Margin levels have largely fluctuated over the last nine quarters; Q3 2016 is an 1% increase on Q2 2016. Levels of Availability fluctuated over the period, the losses to some plants being on Scheduled outages may have been offset by slightly lower demand during those periods.
- Actual Availability decreased by 4% on Q2 2016. When compared to Q3 2015; there has been a 1% increase.
- The Shadow Price has decreased in the quarter, from €33/MWh in Q2 2016 to €27/MWh in Q3 2016.
- Average Uplift has increased over the past quarter from €5/MWh in Q2 2016 to €10/MWh in Q3 2016.

Energy price trends

The SMP comprises two components – the Shadow Price and Uplift. The monthly SMP since January 2014, broken down by these two elements, is shown below in Figure 9. In Q3 2016, the proportion of Uplift has increased sharply.

As can be seen, Shadow Price has not fallen below 65% of total SMP on an average basis since 2014.

Figure 11: Average monthly Uplift

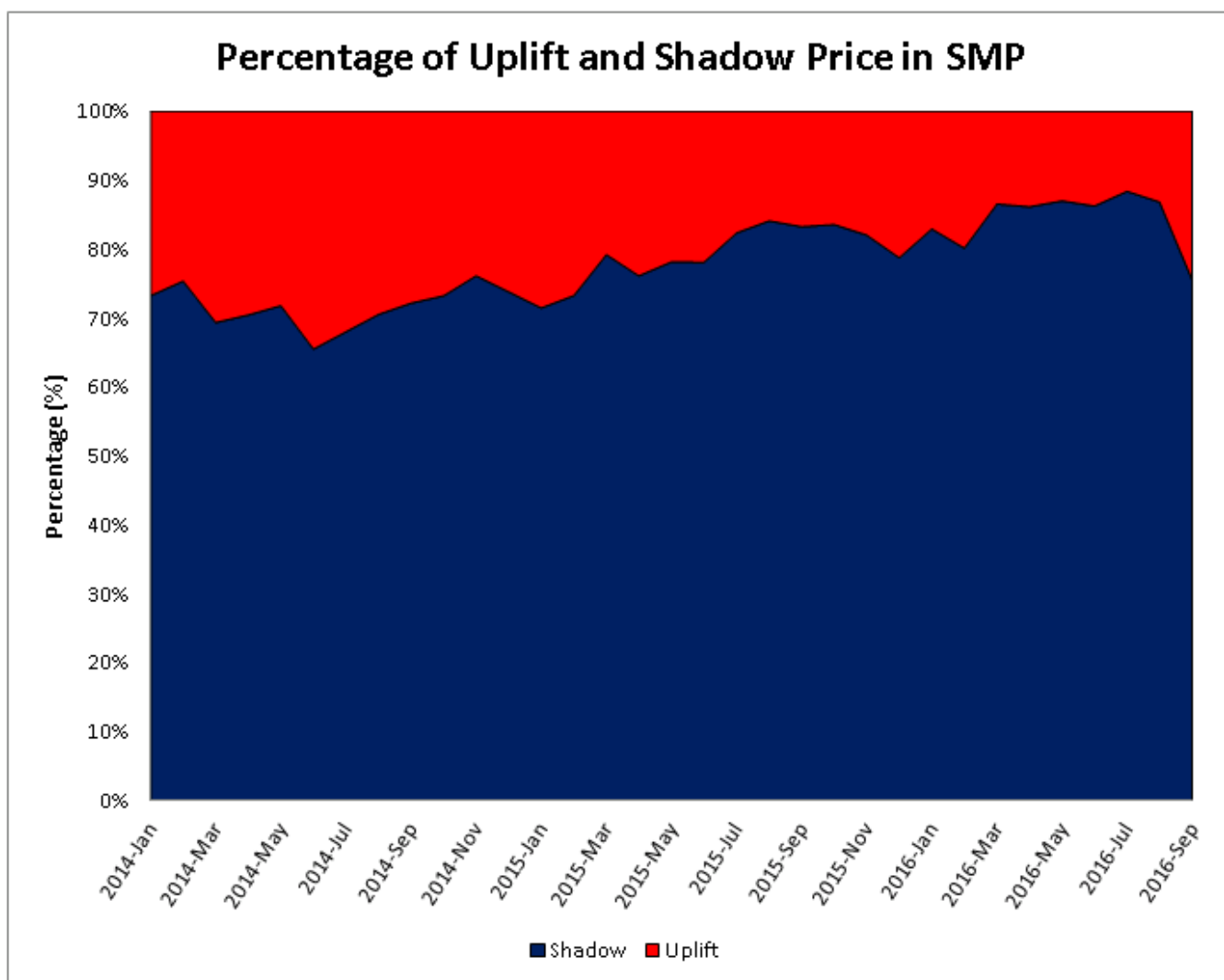
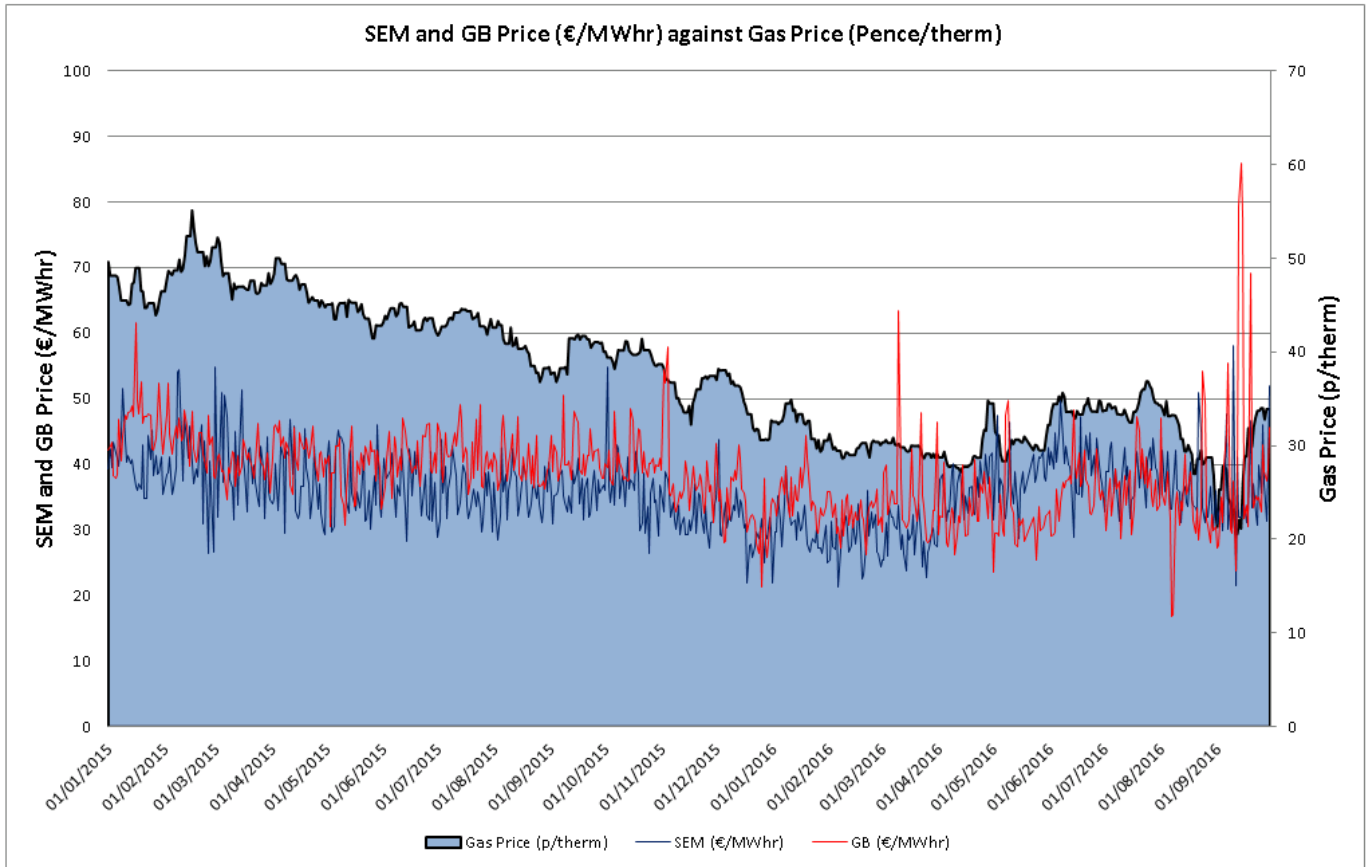


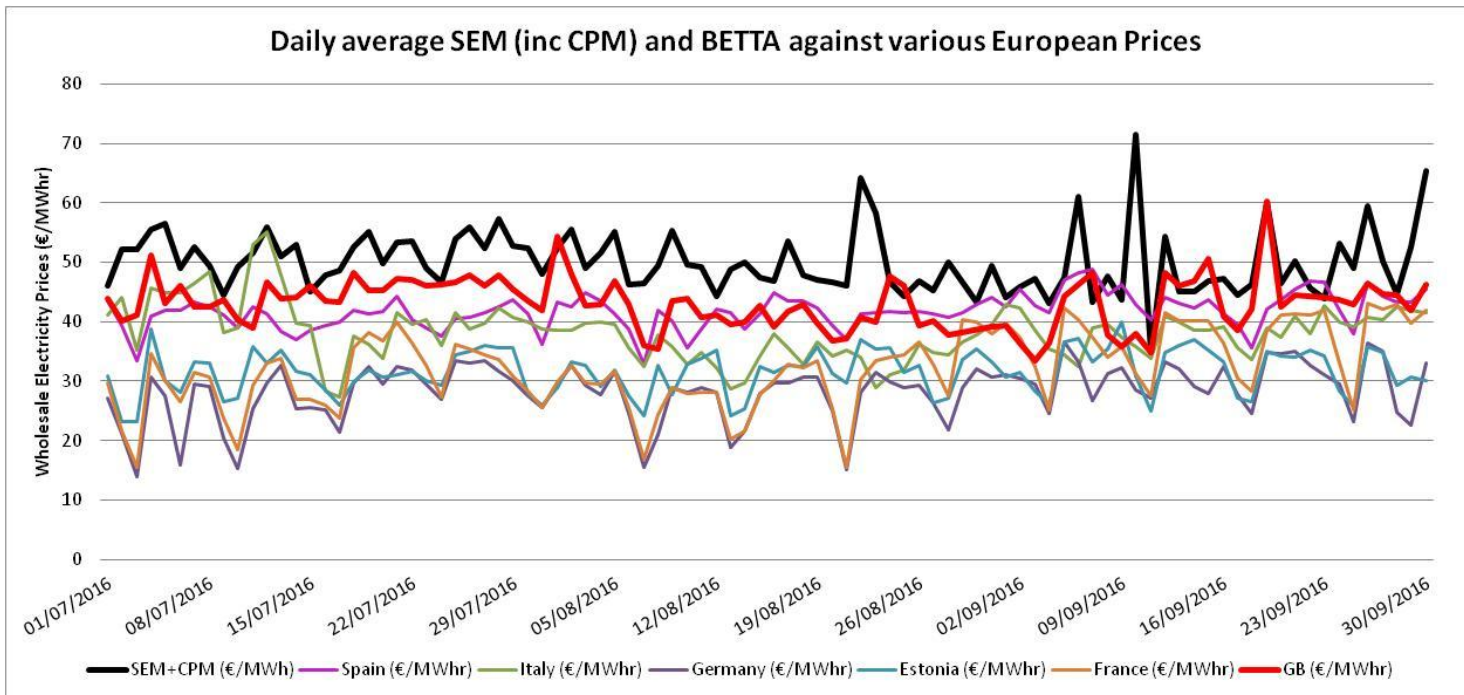
Figure 12: Price comparison between the Single Electricity Market and BETTA



The SEM prices shown in Fig.6 do not include Capacity Payments made to generators. The units of both the SEM price and the BETTA price are in €/MWhr for ease of comparison. The Gas Price units are pence/therm.

Gas has been dominant in the generation fuel mix since the SEM was established. As a result the profile of electricity prices has tended to follow that of the price of gas. While this continues to be the case today, in general the proportion of gas in the fuel mix has started to decrease.

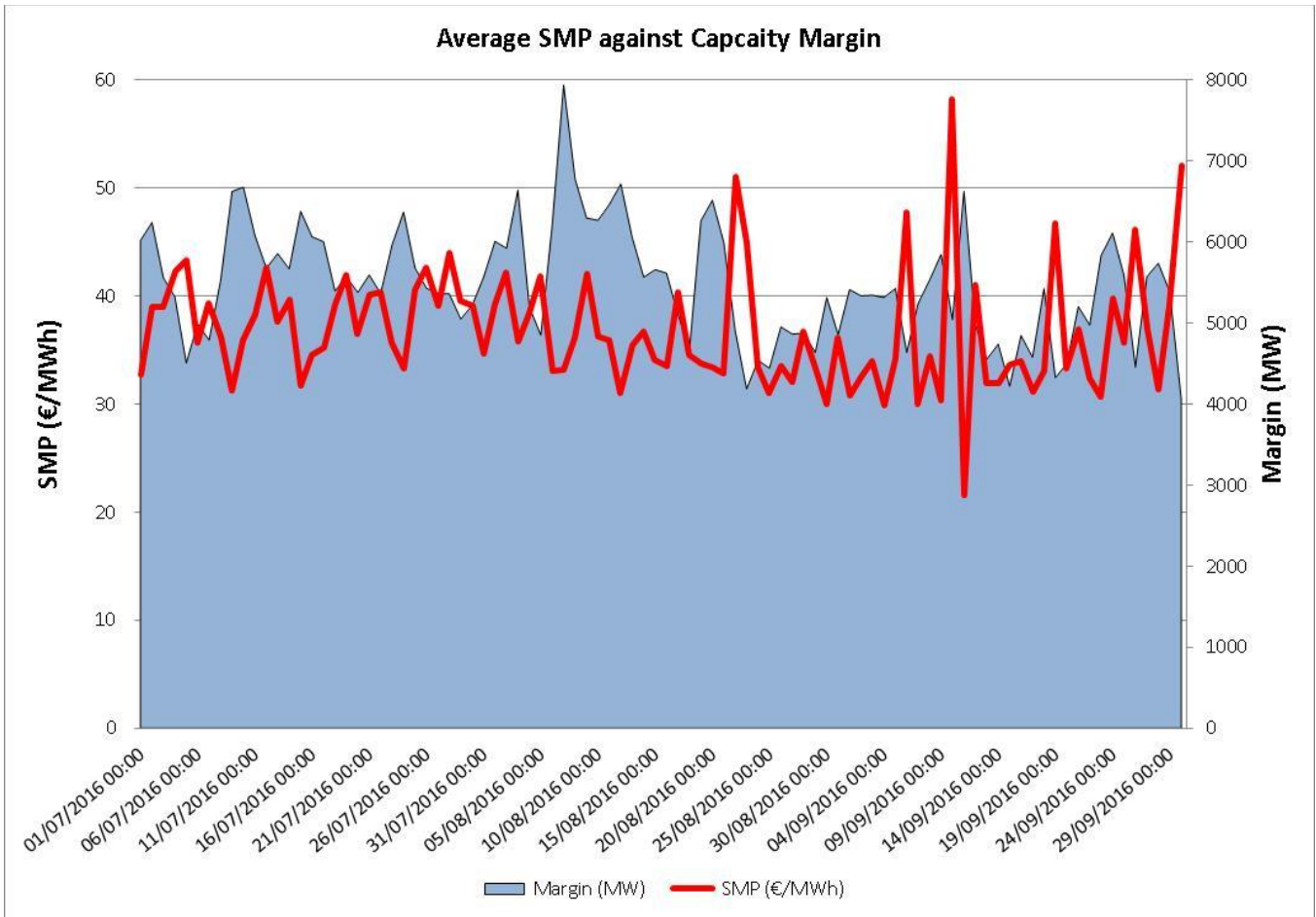
Figure 13: System Marginal and European Price comparison



Source: ENTSO-E Transparency Platform

In Figure 11 above the SEM price (including CPM) is shown for comparison against various European Prices. The BETTA price (black line) is shown.

Figure 14: System Marginal Price and Capacity Margin comparison



Another variable that has a particular impact on the SMP is the capacity margin. This is the amount by which the total available generation exceeds the level of demand in any period. It can be viewed as 'spare capacity'. The lower the capacity margin the more likely it is there will be a need for more expensive generators to be run in the market. This will have the effect of increasing SMP.

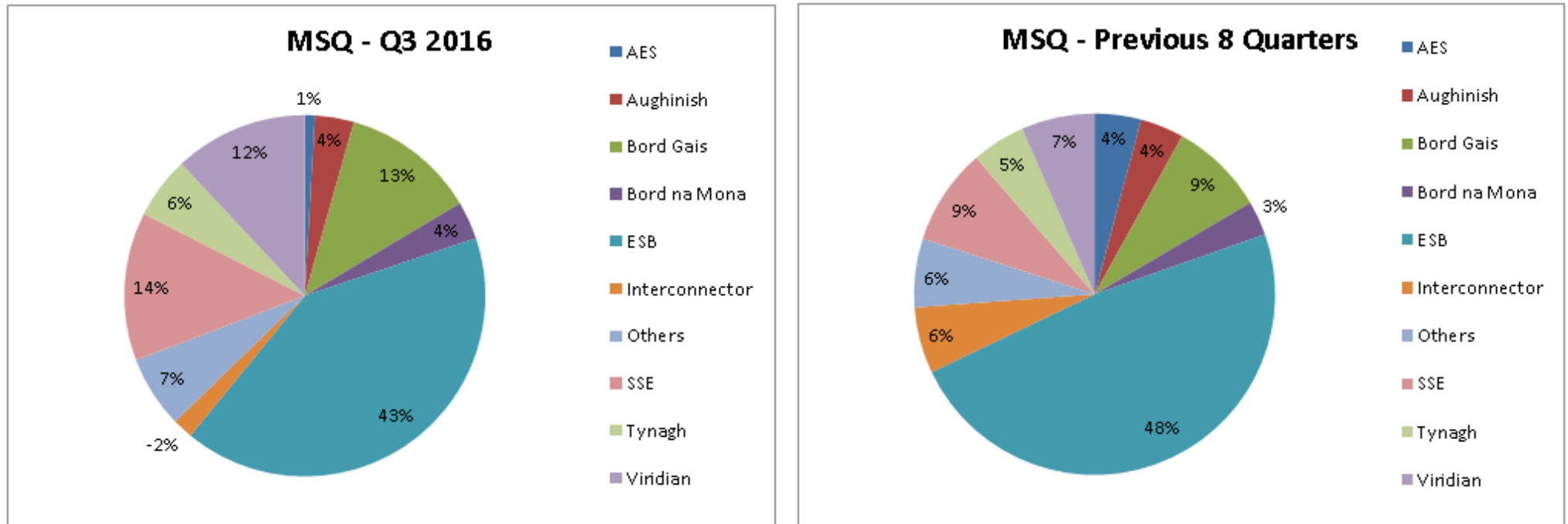
From an all-island perspective there appears to be a healthy capacity margin over the period. The figure above shows that on average there 4,000- 5,000MW of spare generation capacity in the market. Electricity prices and capacity margin in the SEM have displayed signs of an inverted relationship historically. Spikes in SMP have generally occurred at times of lower levels of excess capacity.

The SEM operates on an unconstrained basis and is settled by the SEMO on an ex post basis. This can lead to differences between the market schedule and the real time dispatch of generating units. This is due to the System Operator dispatching generating units in real time under additional constraints that are not included in the market engine.

The pie charts below compare the share of MSQ and DQ by generation owner between the previous eight quarters and the latest quarter.

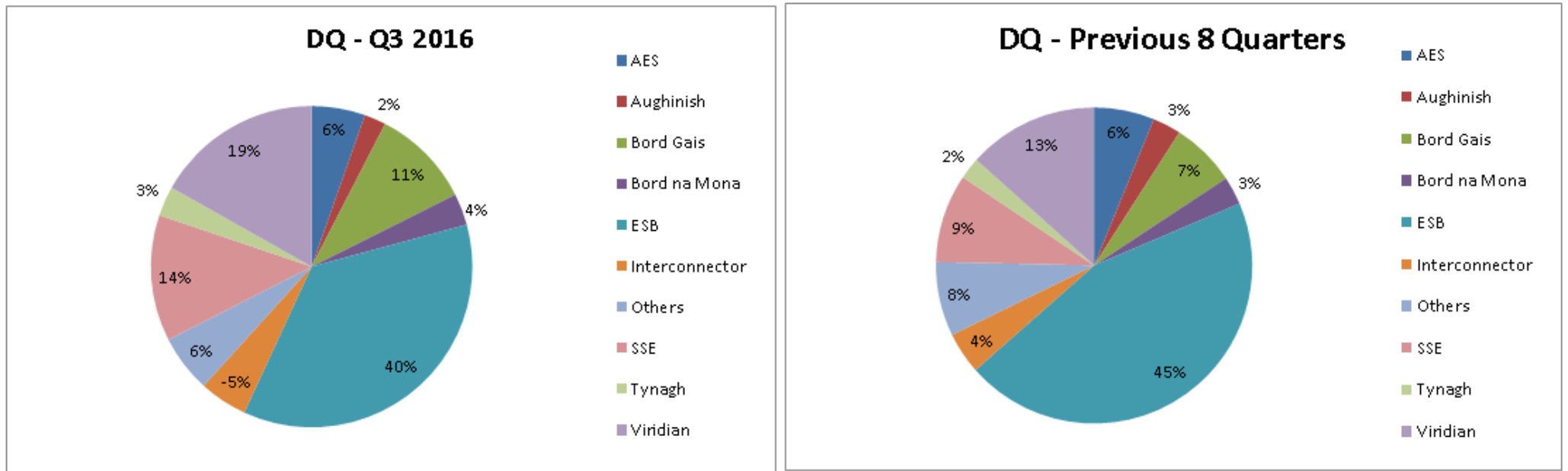
Market Schedule Quantity

Figure 15a: Market Schedule Quantity by generation owner



Dispatch Quantity

Figure 15b: Dispatch Quantity by generation owner

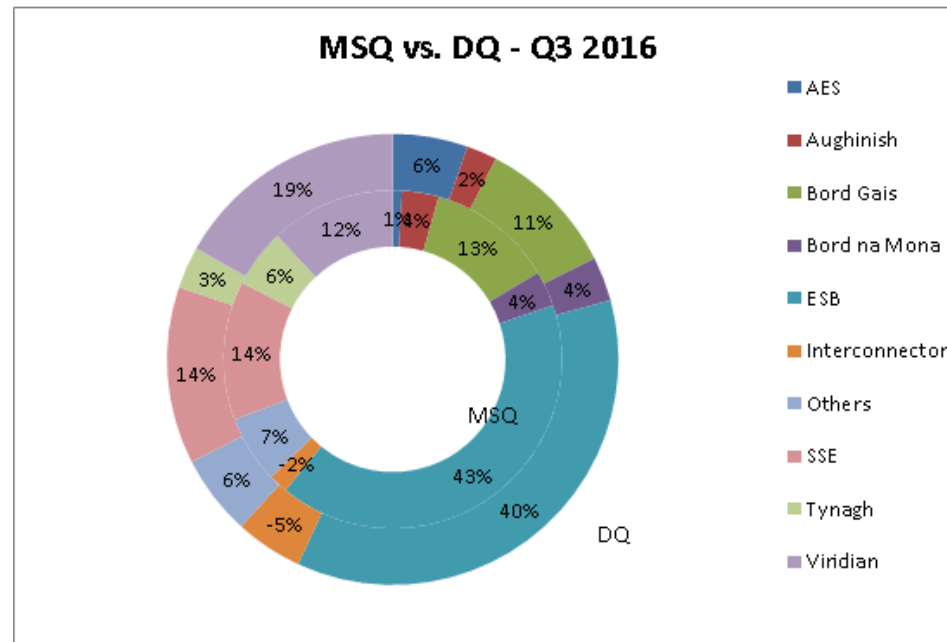


If there is a difference between the market schedule and the real-time dispatch the System Operators must dispatch generator units in real time under additional constraints not considered by the market engine. Transmission constraints and the need to provide reserve on the network are some of causes. Constraint payments keep generators financially neutral against these differences.

To balance supply and demand, constraining off will always result in generators being constrained on, and vice versa. Units constrained off will pay back a constraint payment and the corresponding units that are constrained on will receive a payment.

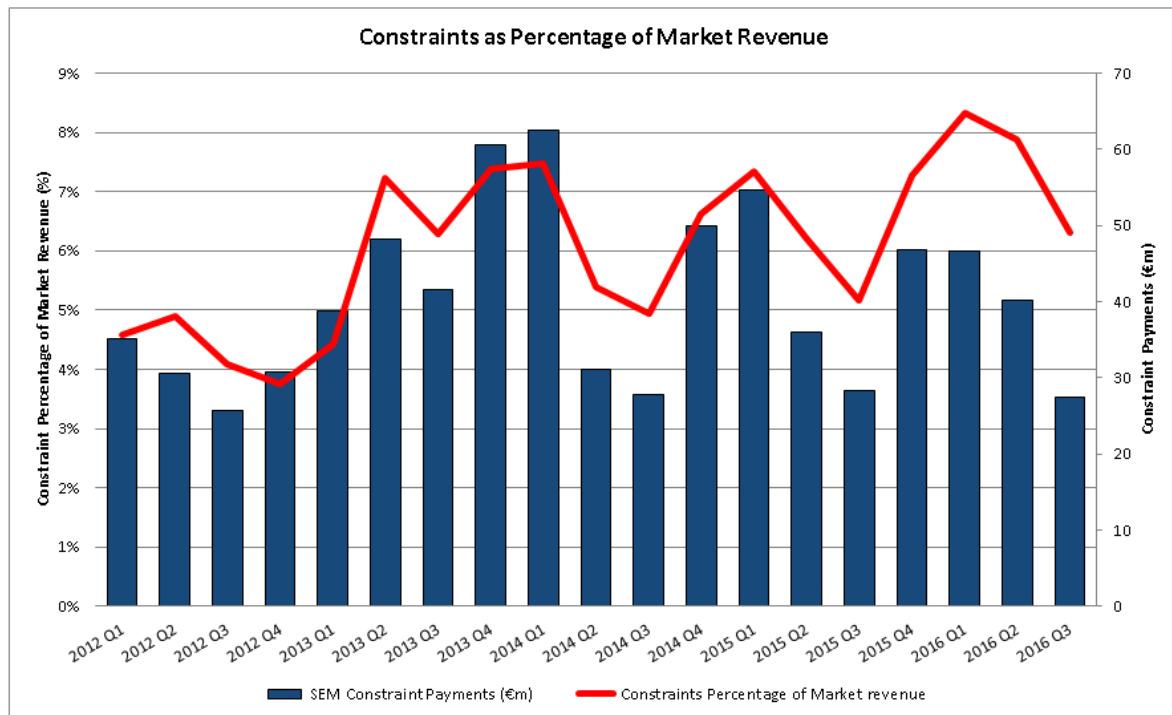
Figure 15c: Q4 2015 Dispatch Quantity versus Market

Owner	MSQ - Current Quarter	MSQ %	DQ - Current Quarter	DQ %
AES	149311.505	1%	941383.835	6%
Aughinish	577191.367	4%	382937.376	2%
Bord Gais	1994698.339	13%	1757646.241	11%
Bord na Mona	559784.113	4%	555487.489	4%
ESB	6797157.666	43%	6318578.24	40%
Interconnector	-303769.89	-2%	-846529.965	-5%
Others	1067325.068	7%	1010254.551	6%
SSE	2196752.358	14%	2224301.264	14%
Tynagh	918169.001	6%	524856.773	3%
Viridian	1979070.689	12%	2942800.228	19%
Total	15935690.22	100%	15811716.03	100%



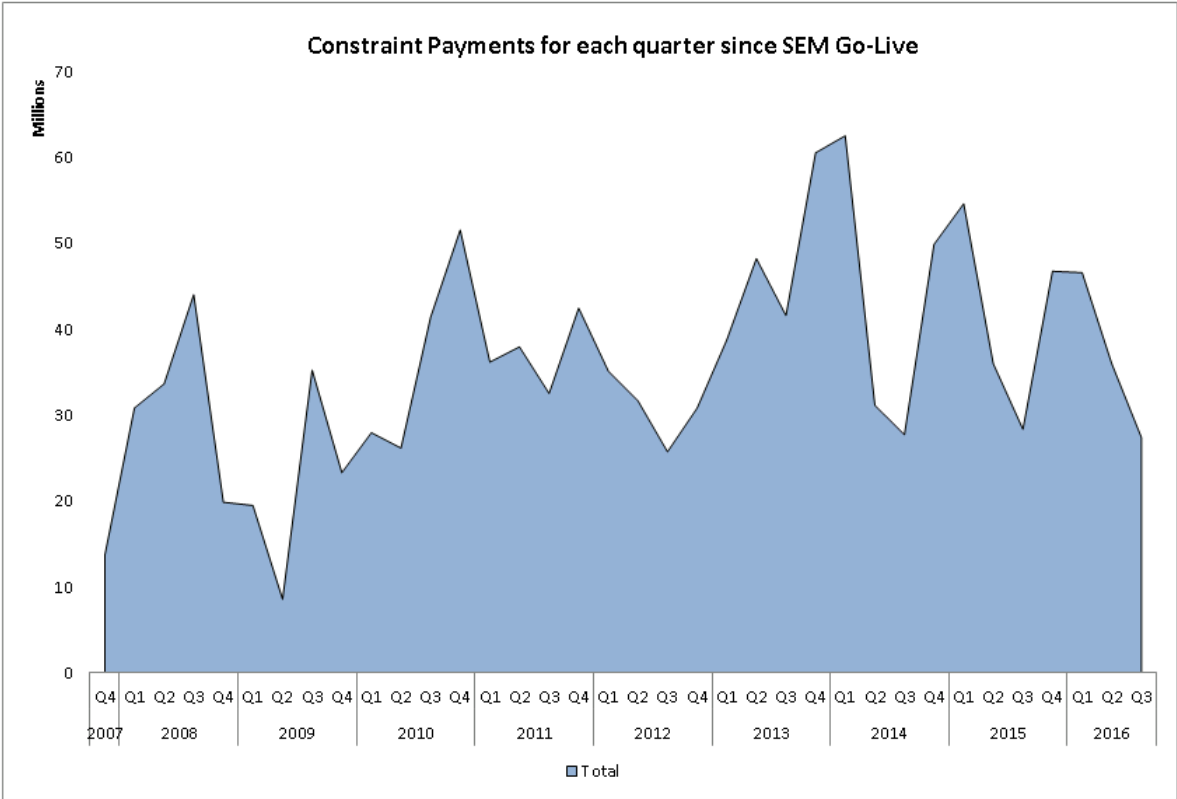
Constraint cost trends

Figure 16: Monthly Constraint Payments and Contribution to Total Energy Payments 2013 – 2016



In Q3 2016, constraints costs relative to energy payments were on average 6% which is roughly a 2% drop on the Q2 2016 figure.

Figure 17: Total Quarterly Payments Q4 2007 – Q3 2016



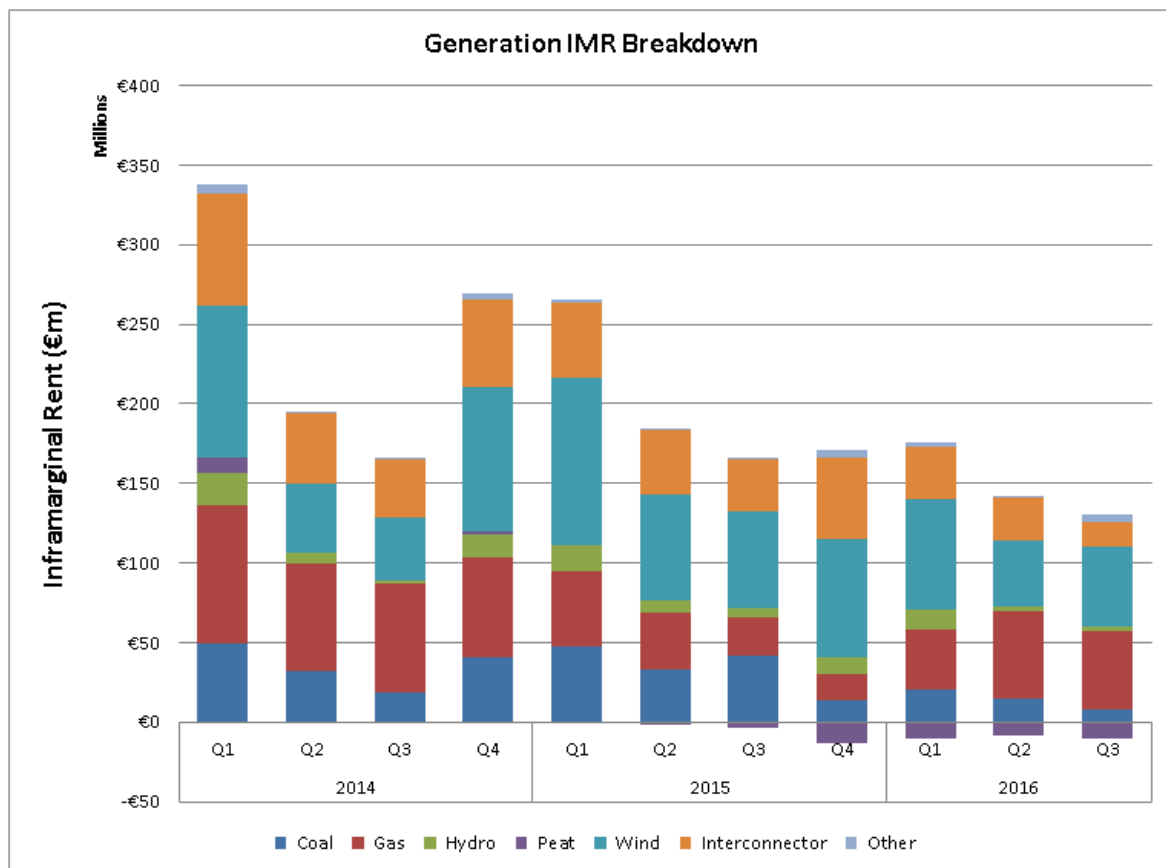
In Q3 2016 total constraints costs were around €27m. Over the last nine quarters, the peak quarterly Constraint Payment figure was that of Q1 2014 which stood at €63m.

Infra-marginal rent (IMR) trends

IMR is the difference between the price paid for generation and the cost to produce that generation. All scheduled generators whose bids are less than the SMP for the period will earn varying levels of IMR, depending on their bid price.

The following chart shows the levels of IMR received by fuel type.

Figure 18: Quarterly breakdown of Infra Marginal Rent by Fuel Type



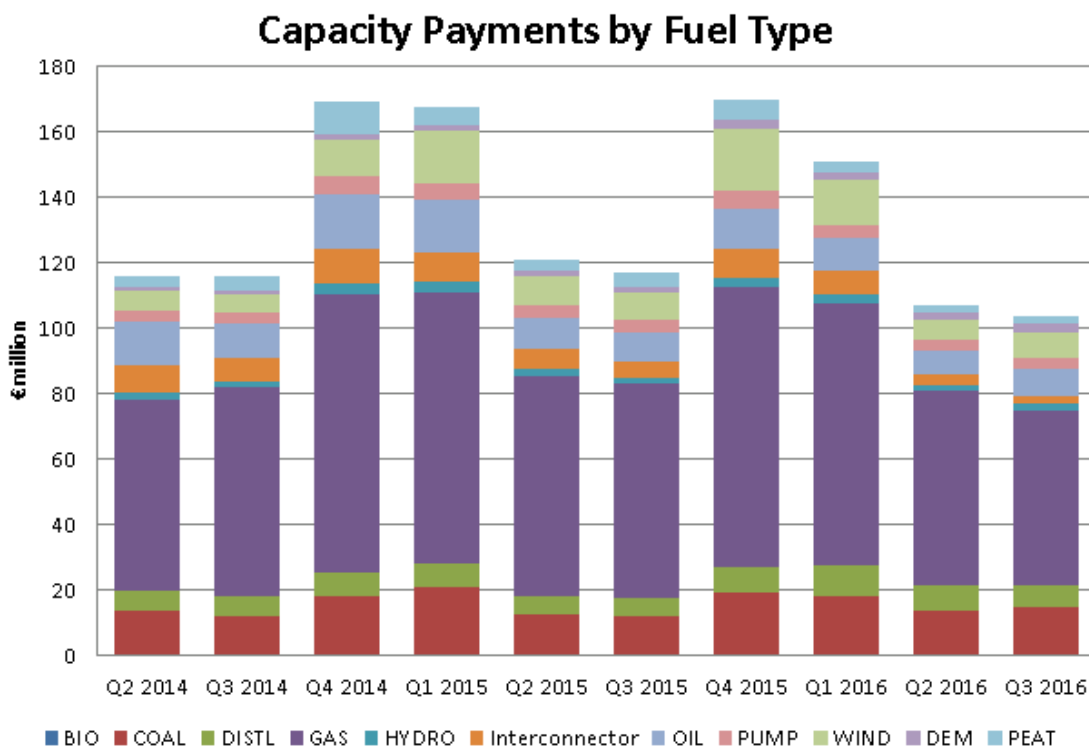
Wind generation makes up a large share of IMR when compared with its percentage of the fuel mix. In the latest quarter (Q3 2016), wind accounted for €50m of IMR which represents 42% of the total. As can be seen Peat under-recovers production costs during the quarter.

Interconnector IMR reduced from €27.2m in Q2 2016 to €15m in Q3 2016. The peak IMR figure was €70.6m in Q1 2014, wind in that quarter earned €96m.

Capacity revenues

All generators receive capacity payments when they are available. These are paid on a monthly basis from a predetermined Annual Capacity Payment Sum, which is €514m for the 2016 Trading Year.

Figure 19: Quarterly breakdown of Capacity Payments by Fuel Type

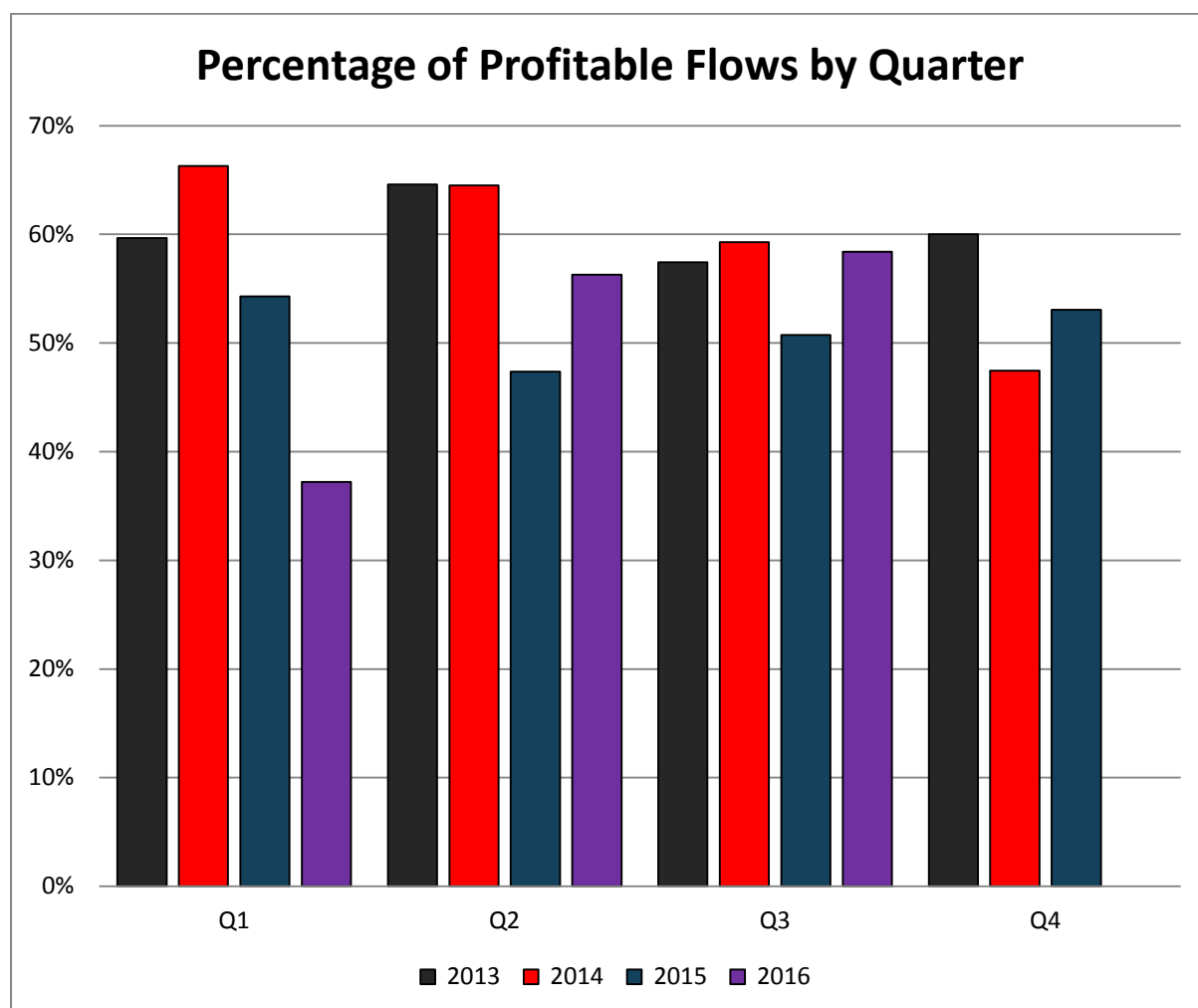


The size of the capacity payments reflects both the availability and volume of installed MW capacity of each fuel type. As can be seen, gas generators are the largest recipient of capacity payments. This is because of their high levels of availability and the large volume of gas

Interconnector flows

The following figure illustrates the percentage of times in a month that the interconnector flows in the expected profitable direction (i.e. from Great Britain to the SEM if the SEM price is higher and vice versa).

Figure 20: Quarterly Interconnector flows in the profitable direction



The figure highlights that interconnector flows do not always flow in the expected profitable direction. There are a number of reasons behind this, including the fact that different structures currently exist in the two markets.

At present the market price in Great Britain is set using an ex ante price, whereas the SEM market is set using ex post prices.

The two sets of prices often differ, which exposes traders to varying degrees of risk. It is expected that these arrangements may change once the I-SEM has been implemented and there is further harmonisation of the markets.

On average the flow of energy in the profitable direction in the third quarter of 2016 was 56%.

Make Whole Payments

Make Whole Payments (MWP) provide a top-up payment for SEM participants when they don't recover all of their production costs within a trading week. The purpose of MWPs is to provide the balance between total energy payments to a generator and the production cost of that generator on a weekly basis. These arrangements are set out in detail in the Trading and Settlement Code.

Figure 21: Make Whole Payments (weekly) Settlement Figures Nov 2007 – Sep 2016

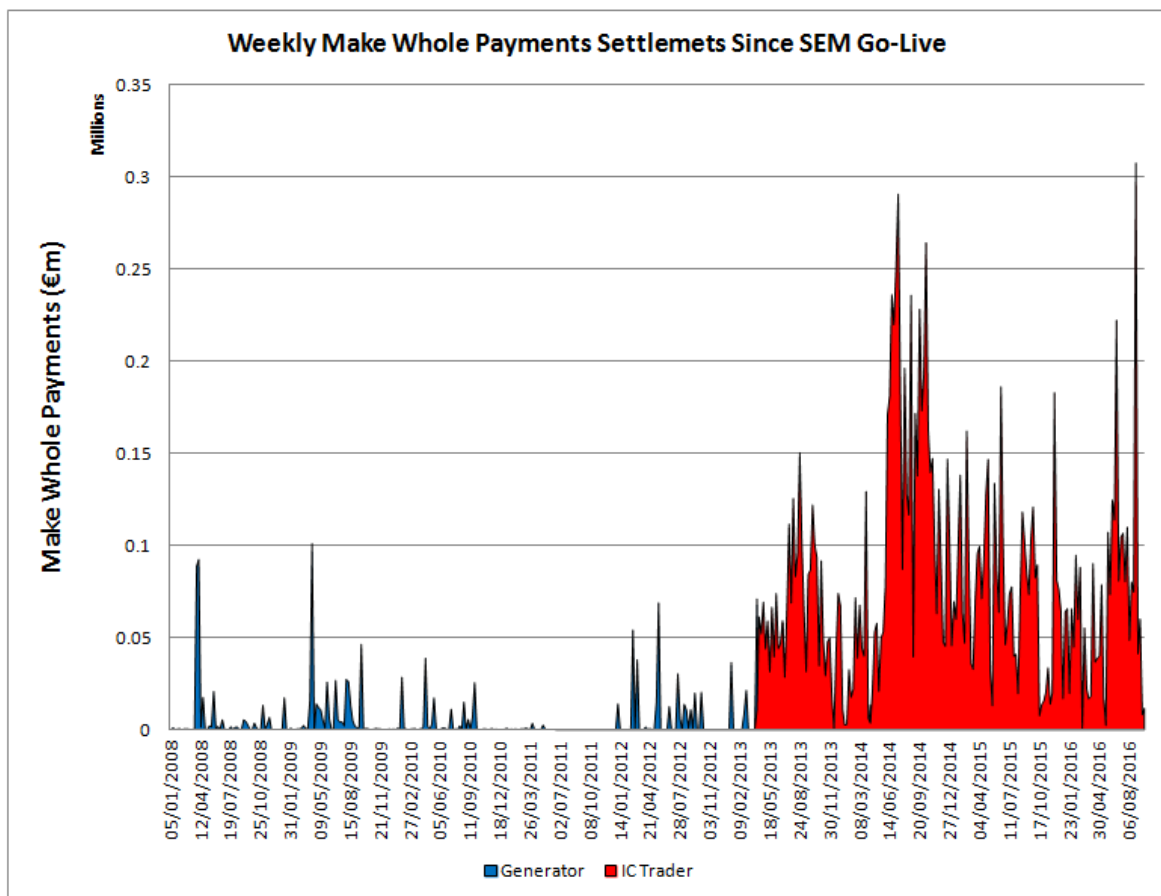
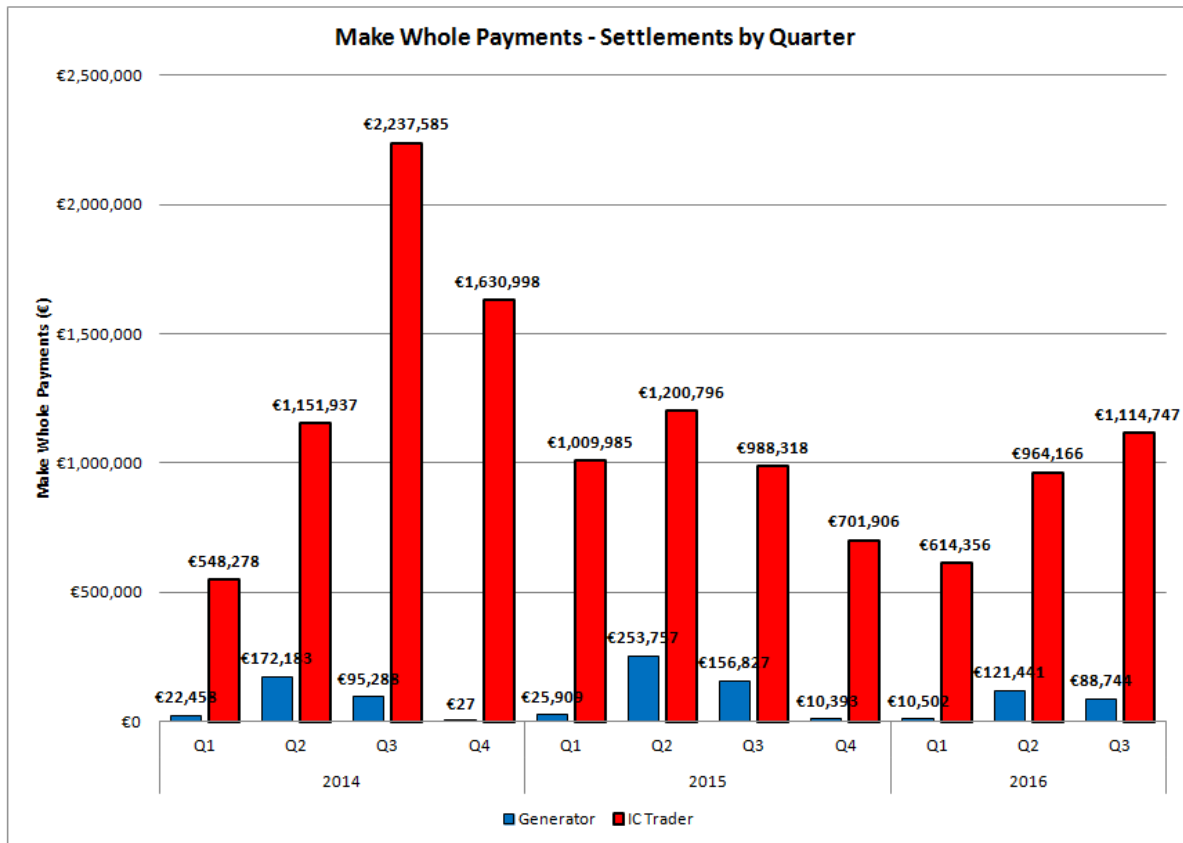


Figure 23: Make Whole Payments Totals by Quarter



The general trend of decreasing Make Whole Payments can be seen. The peak Make Whole Payment of €2.3m occurred in Q3 2015, since then MWP's have decreased a little before increasing to €1.2m in Q3 2016.

6. DIRECTED CONTRACTS

In November 2012 the regulatory authorities published an information note³ on contracting in the SEM from 2007 to 2013. The note provided details about the different contract products offered as well as the volume of contracts sold each year. The note also showed the trends in prices over the past number of years, both in terms of fuels and contracts. This included information on the price and volume of directed contracts sold.

In April 2012 the regulatory authorities published the decision⁴ on the format of directed contracts for 2012/13 and beyond. The decision was to move away from holding directed contract subscriptions on an annual basis⁵ and instead to have rolling quarterly subscriptions. With the move to quarterly subscriptions, it is appropriate that information on the price and volumes of directed contracts should be provided on a more regular basis than the annual contracting report.

The tables and figures below provide information on the price and volume of directed contracts subscriptions, using the same format as the contracting report. The information includes the latest subscription round, Round 18, which was held in Sept 2016. Each subsequent quarterly price report will include the latest subscription results.

The contract volumes for Q2 and Q3 2017 show the volume of contracts sold to date and do not represent the full volume of contracts that are likely to be sold for the period. As a result of the DC subscriptions moving to a rolling quarterly schedule, the full volume for each quarterly product (i.e. Baseload Q1 2016) will be sold over a year. The table below shows the proportion of the expected total directed contracts volumes that have been sold to date for the given quarters.

Expected Volumes of DCs Offered to Date					
Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2016	Q1 2017
100%	100%	75%	50%	100%	100%

On average, the prices of directed contract baseload, mid-merit and peak products for 2017 sold to date are 12-14% lower than those sold for 2016, and 29-33% lower than those sold for 2015. The volumes for 2016 were 10% higher than 2015 and 7% above 2014.

³ Contracting in the SEM 2007-2013 – SEM/12/100

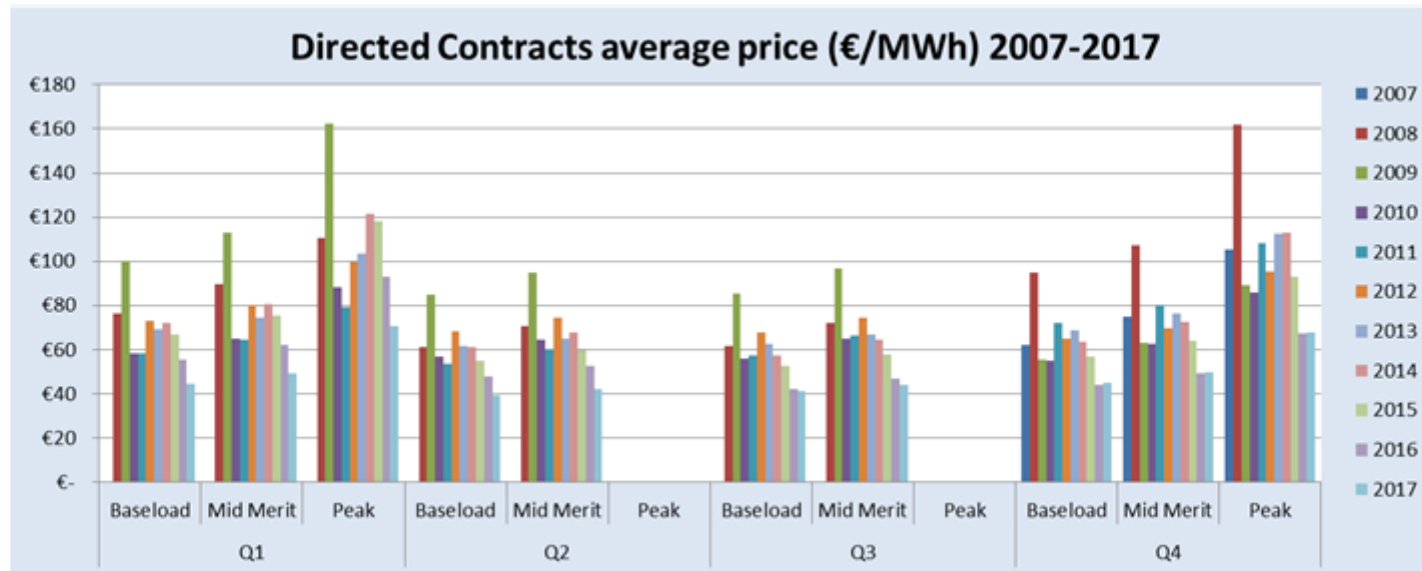
⁴ Directed Contracts Implementation for 2012/13 and Beyond – SEM/12/026

⁵ Following the traditional tariff year from Q4 in year one to Q3 in year two.

Directed contracts average price (€/MWh), 2007-2017

DC Average Price (€/MWh), 2007-2017												
Year	Q1			Q2			Q3			Q4		
	Baseload	Mid Merit	Peak	Baseload	Mid Merit	Peak	Baseload	Mid Merit	Peak	Baseload	Mid Merit	Peak
2007										€ 62	€ 75	€ 106
2008	€ 76	€ 90	€ 111	€ 61	€ 70		€ 61	€ 72		€ 95	€ 107	€ 162
2009	€ 100	€ 113	€ 163	€ 85	€ 95		€ 86	€ 97		€ 55	€ 63	€ 89
2010	€ 58	€ 65	€ 88	€ 57	€ 64		€ 56	€ 65		€ 55	€ 62	€ 86
2011	€ 58	€ 65	€ 79	€ 54	€ 60		€ 58	€ 66		€ 72	€ 80	€ 108
2012	€ 73	€ 80	€ 100	€ 68	€ 74		€ 68	€ 74		€ 65	€ 70	€ 95
2013	€ 69	€ 75	€ 104	€ 62	€ 65		€ 63	€ 67		€ 69	€ 76	€ 113
2014	€ 72	€ 81	€ 121	€ 61	€ 68		€ 57	€ 64		€ 63	€ 73	€ 113
2015	€ 67	€ 76	€ 118	€ 55	€ 60		€ 52	€ 58		€ 57	€ 64	€ 93
2016	€ 56	€ 62	€ 93	€ 48	€ 53		€ 42	€ 47		€ 44	€ 49	€ 67
2017	€ 44	€ 49	€ 71	€ 39	€ 42		€ 41	€ 44		€ 45	€ 50	€ 68

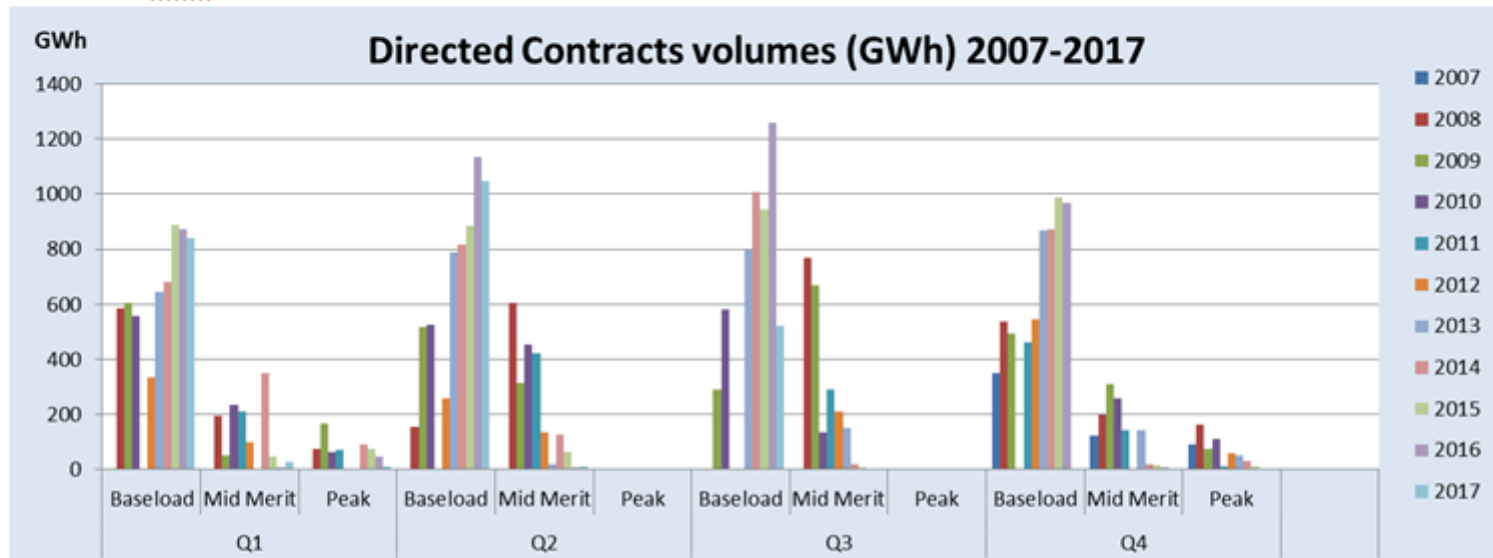
Directed contracts average price (€/MWh)



Directed contracts volumes (GWh), 2007-2017

DC Volumes (GWh), 2007-2017													
Year	Q1			Q2			Q3			Q4			Total TWh
	Baseload	Mid Merit	Peak	Baseload	Mid Merit	Peak	Baseload	Mid Merit	Peak	Baseload	Mid Merit	Peak	
2007										352	122	90	0.56
2008	587	194	76	157	604		-	769		539	199	163	3.29
2009	605	52	169	518	316		291	671		492	312	74	3.50
2010	557	235	62	524	453		581	135		-	259	113	2.92
2011	-	209	73	-	423		-	291		462	143	13	1.61
2012	336	100	-	260	134		-	212		546	-	61	1.65
2013	643	-	-	788	19		795	153		868	142	51	3.46
2014	680	350	90	815	126		1,009	21		870	19	33	4.01
2015	887	47	74	885	62		945	7		990	15	11	3.92
2016	871	10	47	1,135	7		1,259	3		967	7	-	4.31
2017	841	27	12	1,048	11		523	-		-	-	-	2.46

Directed contracts volumes (GWh)



7. ACRONYMS

AA	Actual availability
DQ	Dispatch quantity
BETTA	British Electricity Trading and Transport Arrangements
ESB PG	Electricity Supply Board Power Generation
EWIC	East West Interconnector Company
GB	Great Britain
IMR	Infra marginal rent
I-SEM	Integrated Single Electricity Market
MLH	Material level of harm
MSQ	Market scheduled quantity
NI	Northern Ireland
Power NI Energy PPB	PowerNI Energy Power Procurement Business
PQ	Price quantity pair
ROI	(Republic of) Ireland
SEMO	Single Electricity Market Operator
SMP	System marginal price
TSOs	Transmission system operators