

## APPENDIX C – RESPONSE TEMPLATE

### SUMMARY INFORMATION

<b>Respondent's Name</b>	Bord Gáis Energy (BGE)
<b>Type of Stakeholder</b>	Generator (SEM) and Supplier (Ireland)
<b>Contact name (for any queries)</b>	Brian Larkin
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<b>Contact Telephone Number</b>	01 233 5412

### CAPACITY MARKET CODE MODIFICATIONS CONSULTATION COMMENTS:

<b>ID</b>	<b>Proposed Modification and its Consistency with the Code Objectives</b>	<b>Impacts Not Identified in the Modification Proposal Form</b>	<b>Detailed CMC Drafting Proposed to Deliver the Modification</b>
<b>CMC_11_18</b> – Long Stop Date	BGE supports the amended proposal and understands it to be in line with the SEM Committee's Decision paper on T-1 CY2019/20 Auction Parameters (SEM-18-030)	BGE see no additional impacts that have not already been identified.	The drafting proposed to deliver this Modification is appropriate.

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### CMC\_12\_18

– Tolerance Class

While BGE understands that this Modification stems from the SEM Committee’s Decision paper on T-1 CY2019/20 Auction Parameters (SEM-18-030), we still maintain that the original design of de-rating factors was fit for purpose and did not need change. This is particularly from the perspective of the fact that any units who saw risk in their capability to meet their capacity obligations could factor this risk into their auction bids.

Notwithstanding our position, we understand the need to implement the decision but BGE requests that the proposed wording is clarified to make it explicitly clear that the DECTOL applied by the units to whom it is applicable, cannot be influenced by commercial decisions. For example, the DECTOL should only apply to units that are limited by legal emissions limitations or limited in run-hours due to the technical nature (e.g. hydro) of their plant and not by reason of a commercial view as to their finance-ability over the course of the capacity year in question. Otherwise, in BGE’s view, there is a real risk of undermining the efficient exit signals that the capacity market design is expected to deliver. We therefore believe that strict monitoring of the chosen DECTOLs for run-limited units should occur to ensure that their commercial interests are not being taken into account. We would welcome confirmation that such monitoring will occur.

Finally, we are also of the view that in the interests of transparency, a full list of the units who have running limitations (and who subsequently have the option to apply DECTOLs to their de-rating factor) should be published within the Initial and Final Auction Information Packs.

In line with our position on this Modification as outlined in columns 2 & 3, we believe that the definition of “Tolerance Class” as proposed for the Glossary could be amended to make it clear that “decisions on the level of DECTOL to be applied cannot be influenced by the capacity bidder’s commercial interests outside of legal emissions limits or technical run-hour limitations.” Wording to this effect could be included before the last sentence of the glossary definition for “Tolerance Class”

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ID	Proposed Modification and its Consistency with the Code Objectives	Impacts Not Identified in the Modification Proposal Form	Detailed CMC Drafting Proposed to Deliver the Modification
<b>CMC_13_18</b> – Letter of Credit	BGE has no objectives to this Modification progressing. It does not in our view conflict with the Code Objectives.	BGE see no additional impacts that have not already been identified.	The drafting proposed to deliver this Modification is appropriate.

NB please add extra rows as needed.