

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

**EC Consultation Paper on
Generation Adequacy,
Capacity Mechanisms and
the Internal Market in Electricity**

Response by Power NI Energy (PPB)

7 February 2012.



Prior to the implementation of the first IME Directive in Northern Ireland, Power NI Energy – Power Procurement Business (“PPB”) was the single buyer in Northern Ireland. Since then PPB has continued to manage generation contracts and trades those contracts in the market. The Single Electricity Market (the “SEM”) commenced operation in 2007, spanning two jurisdictions and PPB is an active participant in the SEM and is also active in the financial contracts market that operates alongside the SEM spot market.

PPB welcomes the opportunity to respond to the European Commission consultation on Generation Adequacy, Capacity Mechanisms and the Internal Market in Electricity.

PPB is also an active member of the Electricity Association of Ireland (the “EAI”) and PPB participated fully in the drafting, and wholly endorses, the EAI response.

It is also worthy of noting that the EAI position represents the consensus view of nearly all the generators and suppliers who participate in the SEM and reflects the fact that the requirements in small peripheral markets that have limited interconnection are different to those pertaining in other meshed markets. This is further reinforced by the fact that Ireland has high levels of wind penetration in the market and has renewable targets that exceed those throughout the rest of the EU.

The EAI response is attached for ease of reference.