



**IWEA response to the SEM Committee consultation on Imperfections Charges for October 2015 to  
September 2016**

**15 July 2015**

The Irish Wind Energy Association (IWEA) welcomes the opportunity to comment on the SEM Committee consultation on Imperfections Charges for October 2015 - September 2016.

IWEA is Ireland's leading renewable energy representative body representing more than 200 members involved in wind and renewable energy development in Ireland and Northern Ireland (through the Northern Ireland Renewables Industry Group (NIRIG), set up in collaboration with Renewable UK). IWEA represents members with projects across the spectrum, in operation, under construction and awaiting connection.

In Ireland IWEA members are involved in the majority of connected projects but also involved in more than 85% of the MW of currently grid contracted projects. Through NIRIG we represent more than 25 company members that have developed over 85% of renewable generation operational in Northern Ireland today and who will contribute a significant majority of renewable energy required to deliver the 2020 targets.

The IWEA membership base includes all large, medium and many small developers as well as financial, legal advisory, consultancy, contractors and other service providers involved in the renewables sector in Ireland and Northern Ireland.

IWEA welcomes that the total imperfections revenue requirement for 2015/16 has reduced from the previous year. IWEA would like to take the opportunity of this consultation to highlight the need for timely grid build-out which will help to reduce the constraints costs.

IWEA welcomes the use of TSO countertrading which helps to alleviate wind curtailment as required under the RES Directive. There should be further incentives to reduce the level of wind curtailment on the system and further opportunities should be investigated, for example an incentive to minimise the quantum of curtailment. The incentive to minimise dispatch balancing costs does not provide the correct signal in this instance.

IWEA believes that transparent and appropriate TSO incentives are an important principle of the market, and will become even more important under I-SEM. It is essential that the incentives do not distort the efficient functioning of the market and there will be a need for detailed consultation on this in the design of the new market.