



**Airtricity Response to
Public Service Obligation Levy – Proposed 2008/09 Charges
(Consultation CER-08-092)**

30 June 2008



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Introduction

Airtricity notes the Commission's proposals for PSO charges in 2008/09. We have a single issue, relating to finalising the PSO benchmark price, for which clarification or possibly amendment of the process would be helpful.

Benchmark price revision

We note from section 4.2, that the Commission intends to update the time-weighted average SMP, prior to issuing the final PSO levy decision. Consultation CER/08/093 indicates that this decision is programmed for publication on 16 July.

Airtricity proposal

On the basis that a change to the currently-proposed charges is already planned, in order to use the latest Pool price forecasts and input data to minimise the R-factor, we propose suppliers are also allowed an opportunity to finalise their output estimates for REFIT, for the same reason. A number of suppliers are likely to have entered into REFIT PPAs with generators, since their original PSO estimates were submitted. As is pointed out in the PSO Arrangements consultation, the resulting PSO support will not be recovered from the market until 2010/11 if it is not collected in the year commencing 1 October 2008.

As R-Factor minimisation is in the general interest of both customers and recipients of levy support, we suggest that suppliers be allowed to submit updated estimates of eligible REFIT output, by 11 July. This would enable the Commission to finalise the 2008/09 PSO levy at a level that reflects latest forecasts and all other available and relevant information.