



Energy for
generations

Generation & Wholesale Markets

29th May 2017

ESB G&WM Response to:

Consultation on the Protection of Retail Investors in relation to the Distribution of CFDs

ESB GWM welcomes the opportunity to respond to this consultation. Based on the classification of Retail Investors we have concerns that this consultation may impact the current counterparty base for energy CfDs in the sector.

We therefore request clarity on the following:

- whether the proposals would exclude existing counterparties (e.g. Independent Suppliers and Generators) from participating in Single Electricity Market (SEM) CFD trading. If the case we would request an exemption on the basis that we don't believe the intent of the consultation was aimed to capture these counterparties.
- that energy CFDs such as Directed and Non-Directed Contracts or Irish Generation Capacity Contracts (known as Reliability Options) with SEM Power as underlying are exempt from the classification of CFDs as outlined in this consultation.

Lastly, we would request further clarification on Negative Balance Protection and its application to energy CFDs.

ESB GWM would welcome the opportunity to discuss these points and should you have any queries regarding this response please don't hesitate to contact us.