MODIFICATION PROPOSAL FORM							
Proposer (Company)	Date of receipt (assigned by System Operator)		Type of Proposal (delete as appropriate		Modification Proposal ID (assigned by System Operator)		
RAs	30	th May 2025	Stand	ard	CMC_14_25		
	Contact Details for Modification Proposal Originator						
Name		Telephone number		Email address			
					CRMsubmissions@cru.ie CRMsubmissions@uregni.gov.uk		
	Modification Proposal Title						
	New Dates in the Capacity Auction Timetable						
Documents affected (delete as appropriate)		Section(s) Affected		Version number of CMC used in Drafting			
Capacity Market Co	Capacity Market Code		C.2, F.4.1.1, F.4.1.5, Appendix C		12.0		
Explanation of Proposed Change (mandatory by originator)							

The RAs have undertaken a review of the Capacity Market Code ahead of the next T-4 auction. In doing so, a number of Modification Proposals are being raised. This proposal seeks to include new dates (events) in the Capacity Auction Timetable (Table A, Appendix C) to place a requirement on the System Operators to submit "indicative" Locational Capacity Constraint (LCC) volumes (Part 1) to the Regulatory Authorities by a certain date and System Operator proposed adjustments to the Final Capacity Requirement (Part 2) to the Regulatory Authorities by a certain date.

Part 1: Submission of initial LCC volumes

For the purpose of achieving the intention of Part 1, the Modification proposal seeks to introduce a requirement into the CMC for the System Operators to submit initial values of de-rated capacity required to satisfy an LCC to the Regulatory Authorities at the same time as the Initial Auction Information Pack is being finalised and published. The Modification Proposal would see the introduction of a new paragraph under Chapter C of the CMC and a new event in Table A, Appendix C to achieve this.

The initial LCC volumes sought by the RAs at this earlier stage are those highlighted in yellow in the table below.

Table 1: Summary of TSO recommended adjustments and SEM Committee approved volumes

	TSO Recommended			SEM Committee Decision						
		Level 1		Level 2			Level 1		Level 2	
	All Island	NI (L1-1)	Ireland (L1-2)	Dublin (L2-1)	Rest of Ireland (L2-2)		NI (L1-1)	Ireland (L1-2)	Dublin (L2-1)	Rest of Ireland (L2-2)
Initial Capacity Requirement	7,236	1,599	5,691	2,100	0	7,236	1,599	5,691	2,100	0
Non-participating capacity	-402	-23	-379	0	-379	-402	-23	-379	0	-379
Adjusted ISAC Requirement	6,834	1,576	5,312	2,100	-379	6,834	1,576	5,312	2,100	-379
Post modelling adjustments	1,863	541	1,347	107	1,239	1,099	468	968	107	861
Non-delivery adjustments	1,705	260	1,445	253	1,192	0	0	0	0	0
Reliability Standard	50	20	205	0	205	50	20	205	0	205
Diversified Risk Adjustment	0	0	0	0	0	1,210	310	1,250	0	900
Gross Auction Requirement after Adjustments	10,451	2,397	8,309	2,461	2,257	9,192	2,373	7,735	2,207	1,587
Previous Awarded Capacity	-3,917	-911	-3,006	-992	-2,015	-3,917	-911	-3,006	-992	-2,015
Net Auction Requirement	6,534	1,486	5,303	1,469	243	5,275	1,463	4,729	1,216	-428

Source: SEM - 24 - 051 2027-28 T-4 Volumes Information Note.pdf

Part 2: System Operator submission of proposed adjustments

For the purpose of achieving the intention of Part 2, the Modification proposes to include a new event in the Capacity Auction Timetable in Table A, Appendix C of the CMC and include wording under Chapter F.4 to place a requirement on the System Operators to provide the Locational Capacity Constraint Required Quantity only to the Regulatory Authorities by a certain date. The Modification Proposal also seeks to clarify that any value submitted to the Regulatory Authorities is final.

Legal Drafting Change

(Clearly show proposed code change using **tracked** changes, if proposer fails to identify changes, please indicate best estimate of potential changes)

Part 1: Submission of initial LCC volumes

Include the following new section under Chapter C.2:

- C.2.4 Timing of Determination of minimum and maximum de-rated capacity quantity to satisfy Locational Capacity Constraints for a Capacity Year
- C.2.4.1 The System Operators shall determine an indicative minimum and maximum de-rated capacity quantity to satisfy the Locational Capacity Constraints (if any) applicable to Capacity Auctions for a Capacity Year for the first time, and shall provide these to the Regulatory Authorities, by not later than the date specified in the Capacity Auction Timetable for the first Capacity Auction for that Capacity Year (or such later date as specified by the Regulatory Authorities by written notice to the System Operators).
- C.2.4.2 For the purposes of C.2.4.1, an indicative minimum and maximum de-rated capacity quantity to satisfy the Locational Capacity Constraints (if any) applicable to Capacity Auctions for a Capacity Year for the first time provided to the Regulatory Authorities is not a final value and may be updated in line with the determination of Locational Capacity Constraints in accordance with F.4.1.1 by the System Operators.

Part 2: System Operator submission of proposed adjustments

Include the following to F.4.1.1 (a):

- F.4.1.1 For each Locational Capacity Constraint, the System Operators shall, when requested to do so by the Regulatory Authorities and as required under this section F.4.1 determine the following for a Capacity Year:
 - (a) the Locational Capacity Constraint Required Quantity submitted to the Regulatory Authorities by the date specified in the Capacity Auction Timetable, being:
 - (i) the minimum de-rated capacity quantity that is required to satisfy the Locational Capacity Constraint determined under paragraph C.2.2.2(c); less
 - (ii) the de-rated value of capacity that is not existing Awarded Capacity for the relevant Capacity Year but which the System Operators forecast to be operational during the relevant Capacity Year and will not participate in the Capacity Auction;

And include the following to F.4.1.5:

F.4.1.5 The System Operators shall make a determination under paragraph F.4.1.1 based on the Final Qualification Decisions and submit the values to the Regulatory Authorities at the same time as submitting the Final Qualification Decisions under paragraph E.9.4.3. The values submitted under this paragraph shall be final.

For both Parts:

Include the following new Events to Table A, Appendix C:

	Event	Indicative timeframe
1	Initial Auction Information Pack Date: the last publication date for the Initial Auction Information Pack	A-25 weeks
<u>1A</u>	Date by which the System Operators are expected to provide an indicative minimum and maximum de-rated capacity quantity to satisfy Locational Capacity Constraints to the Regulatory Authorities	A-25 weeks
2	Opt-out Notification Date: the last date a Participant can submit an Opt-out Notification	A-23 weeks
3	Exception Application Date: the last time a Participant can make an Exception Application to the Regulatory Authorities	A-21 weeks
4	Qualification Application Date: the last date a Participant can submit an Application for Qualification in respect of the Capacity Auction	A-21 weeks

5	Provisional Qualification Results Date: the date by which the System Operators are expected to inform persons who submit Applications for Qualification of Provisional SO Qualification Decisions in respect of the Capacity Auction	A-11 weeks
<u>6</u>	Date by which the System Operators are expected to provide the Locational Capacity Constraint Required Quantity determined under paragraph F.4.1.1 (a) to the Regulatory Authorities	A-11 weeks
<u>7</u> 6	Final Qualification Submission Date: the date by which the System Operators are expected to provide Final Qualification Results in respect of the Capacity Auction to the Regulatory Authorities for approval	A-5 weeks
<u>8</u> 7	Final Qualification Results Date: the date by which the System Operators are expected to inform persons who submit Applications for Qualification of Final Qualification Decisions in respect of the Capacity Auction	A-3 weeks
<u>9</u> 8	Qualification Results Publication Date: the date by which the System Operators are expected to publish the total Qualified capacity in respect of the Capacity Auction	A-3 weeks
<u>109</u>	Date for finalising the Locational Capacity Constraint Limits for the Capacity Auction	A-3 weeks
1 <u>1</u> 0	Final Auction Information Pack Date: the date by which the System Operators are expected to publish the Final Auction Information Pack for the Capacity Auction	A-3 weeks
1 <u>2</u> 4	Capacity Auction Submission Commencement: the earliest date and time that Participants may submit Capacity Auction Offers in respect of Capacity Market Units Qualified to participate in the Capacity Auction	A-1 week
1 <u>3</u> 2	Capacity Auction Submission End: the last date and time until Participants may submit Capacity Auction Offers in respect of Capacity Market Units Qualified to participate in the Capacity Auction	10 AM on A
1 <u>4</u> 3	Capacity Auction Run Start: the day and time that the System Operators initiate the run of the software program referred to in paragraph Error! Reference source not found. in respect of the Capacity Auction	A

1 <u>5</u> 4	Capacity Auction Completion Date: the date by which the System Operators are expected to complete the Capacity Auction (including the Capacity Auction Monitor's review)	A+3 Working Days
1 <u>6</u> 5	Capacity Auction Provisional Results Date: the date by which the System Operators are expected to provide provisional Capacity Auction Results to Participants	A+3 Working Days
1 <u>6</u> 5A	Capacity Auction Provisional Results Publication Date	A+8 Working Days
1 <u>7</u> 6	Capacity Auction Approval Date: the date by which the Regulatory Authorities are expected to approve the Capacity Auction Results	A+4 weeks
1 <u>8</u> 7	Capacity Auction Results Date: the date the System Operators are expected to publish the Capacity Auction Results	A+5 weeks
1 <u>9</u> 8	Performance Security Date: the last date for Participants to provide Performance Securities to the System Operators for Awarded New Capacity allocated in the Capacity Auction	A+5 weeks

Modification Proposal Justification

(Clearly state the reason for the Modification)

Part 1: Submission of initial LCC volumes

As part of the pre-Capacity Auction processes, the System Operators and Regulatory Authorities work to determine an array of auction parameters, including the Final Capacity Requirement and Locational Capacity Constraints. As part of this process, the Regulatory Authorities depend on submission of the de-rated quantity of capacity required to satisfy LCCs from the System Operators. The current timelines for submission of this information leaves little time for the Regulatory Authorities to assess and scrutinise the System Operators' submissions. The purpose of this Modification is to place a requirement on the System Operators to provide these initial LCC values earlier in the process, for the Regulatory Authority teams to commence work on analysing the System Operator submissions.

Part 2: System Operator submission of proposed adjustments

Furthermore, in recognition that the determination of Locational Capacity Constraints for a Capacity Auction under F.4 of the CMC can only be determined after the Final Qualification Decisions have been made, the required quantity for each LCC is not dependent on qualification decisions. Therefore, the second part of this Modification Proposal aims to place a requirement on the System Operators to provide this information to the Regulatory Authorities at a defined point in the process, to ensure sufficient time for scrutiny and assessment of the System Operators' submissions.

The RAs view these changes to be administrative in nature.

Code Objectives Furthered

(State the Code Objectives the Proposal furthers, see Sub-Section A.1.2 of the CMC Code Objectives)

This Modification Proposal would further the following CMC Objectives:

(b) to facilitate the efficient, economic and coordinated operation, administration and development of the Capacity Market and the provision of adequate future capacity in a financially secure manner;

and

(e) to provide transparency in the operation of the SEM.

Implication of not implementing the Modification Proposal

(State the possible outcomes should the Modification Proposal not be implemented)

Should this Modification Proposal not be implemented, there may be risks to the Capacity Auction processes and timelines, where the Regulatory Authorities would not have enough time to analyse and scrutinise the System Operators' submissions.

Impacts

(Indicate the impacts on systems, resources, processes and/or procedures)

The System Operators will be required to commence modelling and analysis earlier in the Capacity Auction process. The Regulatory Authorities consider there to be no other impacts on systems, resources, processes and/or procedures at the time of submitting this Modification Proposal.

Please return this form to the System Operators by email to CapacityModifications@sem-o.com

Notes on completing Modification Proposal Form:

- If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal
- Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the 2. appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Regulatory Authorities.
- Each Modification Proposal will include a draft text of the proposed Modification to the Code unless, if raising a Provisional Modification Proposal whereby legal drafting text is not imperative.
- For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:

CMC / Code: **Modification Proposal: Derivative Work:**

means the Capacity Market Code for the Single Electricity Market means the proposal to modify the Code as set out in the attached form

means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal

The terms "System Operators" and "Regulatory Authorities" shall have the meanings assigned to those terms in the Code.

In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Section B.12 of the Code, which I have read and understand, I agree as follows:

- I hereby grant a worldwide, perpetual, royalty-free, non-exclusive licence:
 - to the System Operators and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;
 - 1.2 to the Regulatory Authorities to amend, adapt, combine, abridge, expand or otherwise modify the Modification Proposal at their sole discretion for the purpose of developing the Modification Proposal in accordance with the Code;
 - 1.3 to the System Operators and the Regulatory Authorities to incorporate the Modification Proposal into the Code:
 - 1.4 to all Parties to the Code and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the Code or otherwise, for any purpose arising out of or in connection with the Code.
- The licences set out in clause 1 shall equally apply to any Derivative Works.
- I hereby waive in favour of the Parties to the Code and the Regulatory Authorities any and all moral rights I may have arising out of or in connection with the Modification Proposal or any Derivative Works.
- I hereby warrant that, except where expressly indicated otherwise, I am the owner of the copyright and any other intellectual property and proprietary rights in the Modification Proposal and, where not the owner, I have the requisite permissions to grant the rights set out in this form.
- I hereby acknowledge that the Modification Proposal may be rejected by the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the Code.