Single Electricity Market
(SEM)

Capacity Remuneration Mechanism
CY2029/30 T-4 Capacity Auction Parameters

Decision Paper
SEM-25-040

01 August 2025

1. CONTENTS

2. EXECUTIVE SUMMARY

Under the revised SEM arrangements, implemented in October 2018, capacity revenues are allocated by capacity auction for a relevant capacity year. Prior to each capacity auction, a number of capacity auction parameters must be set. The list of parameters to be determined by the Regulatory Authorities (RAs) is described in paragraph D.3.1.3 of the Capacity Market Code (CMC).

The parameters, as set out in this document, relate to the T-4 2029/30 Capacity Auction which is scheduled to take place on **26 March 2026.** A detailed timetable for the auction is also available[1].

On 02 June 2025, the SEM Committee issued a consultation on parameters for the T-4 2029/30 Capacity Auction (SEM-25-021[2]). Responses were required by 17:00 of the 20 June 2025. Eleven responses were received by the RAs with three classified as confidential.

The RAs sought views on parameters as well as the Treatment of Constraints (LCCA Cork). Table 1 outlines the number of replies for each parameter.

Number of responses to each Parameter

Ref	Parameter	No. of Responses
a	De-Rating Curves, defining De-Rating Factors by unit Initial Capacity and by Technology Class (including Interconnectors)	4
b	Capacity Requirement	3
c	Indicative Demand Curve	2
d	Auction Price Cap (APC)	10
e	Existing Capacity Price Cap (ECPC)	4
f	New Capacity Investment Rate Threshold (NCIRT)	0
g	Annual Stop Loss Limit Factor	0
h	Billing Period Stop Loss Factor	0
i	Indicative Annual Capacity Exchange Rate	0
j	Increase Tolerance and Decrease Tolerance by Technology Class	2

[1] T-4 29/30 Capacity Auction Timetable
[2] SEM-25-021 - T-4 2930 Parameters Consultation Paper.pdf

Number of responses to each Parameter

Ref	Parameter	No. of Responses
k	Performance Security Posting Dates / Events	8
l	Termination Charges	2
m	Full Administered Scarcity Price and Reserve Scarcity Price Curve	2
n	Anticipated values to be applied in determining the Strike Price	0
o	Capacity Aggregation Threshold	0
p	Early Incentive Start Date for New Capacity	2
	Intermediate Contract Investment Rate Threshold	1
	Cork LCCA	3

Table 1

3. BACKGROUND

Decisions made in this document reflect requirements set out in the CMC, which outline the arrangements whereby market participants can qualify for, and participate in auctions for the award of capacity in the Capacity Remuneration Mechanism (CRM) in the SEM. The settlement arrangements for the CRM form part of the revised Trading and Settlement Code (TSC) (SEM-17-024) published in April 2017[3].

The purpose of this decision paper is to:

- Provide a summary of the responses received to the parameters consultation[4].
- Provide a SEM Committee decision summary.
- Set out the decisions and final parameters for the T-4 2029/30 Capacity Auction.

[3] WP-05: Institutional Arrangements (semcommittee.com)
[4] SEM-25-021 - T-4 2930 Parameters Consultation Paper.pdf

4. SUMMARY OF PROPOSALS IN THE CONSULTATION PAPER

Table 2 below details the Parameters to be Determined as published in the SEM-25-021 Consultation Paper:

	Parameter	Proposed Value for 2029/2030 T-4 capacity auction
a	De-Rating Curves, defining De-Rating Factors by unit Initial Capacity and by Technology Class (including Interconnectors)	To be determined by System Operators (SOs) prior to publication of Initial Auction Information Pack.
b	Capacity Requirement	To be determined by SOs prior to publication of Initial Auction Information Pack.
c	Indicative Demand Curve	The Demand Curve for the 2029/2030 T-4 auction will be set as the following: • Horizontal at the Auction Price Cap from 0 MW to 85%[5] of the Initial Capacity Requirement. • Slopes down in a straight line to 115% of the Initial Capacity Requirement. • The line passes through the point at where the volume is equal 100% of the Initial Capacity Requirement and the price equals Net CONE
d	Auction Price Cap (APC)	€230,000/MWd
e	Existing Capacity Price Cap (ECPC)	Propose a 2% increase on the T-4 2028/2029 Capacity Auction: €55,678 x 1.02 = **€56,792 / de-rated MW / year**.
f	New Capacity Investment Rate	€300,000 /de-rated MW / year.

[5] 85% is rounded to the nearest percent, the actual amount to purchase at APC is subject to the auction rules under the CMC.

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<tr><th></th><th>Parameter</th><th colspan="3">Proposed Value for 2029/2030 T-4 capacity auction</th></tr>
<tr><td></td><td>Threshold (NCIRT)</td><td colspan="3"></td></tr>
<tr><td>g</td><td>Annual Stop Loss Limit Factor</td><td colspan="3">1.5</td></tr>
<tr><td>h</td><td>Billing Period Stop Loss Factor</td><td colspan="3">0.5</td></tr>
<tr><td>i</td><td>Indicative Annual Capacity Exchange Rate</td><td colspan="3">To be determined by SOs prior to publication of Initial Auction Information Pack.</td></tr>
<tr><td rowspan="3">j</td><td rowspan="3">Increase Tolerance and Decrease Tolerance by Technology Class</td><td>Technology Class</td><td>Increase Tolerance (%)</td><td>Decrease Tolerance (%)</td></tr>
<tr><td>All Except DSUs</td><td>0</td><td>0</td></tr>
<tr><td>DSUs</td><td>0</td><td>100</td></tr>
<tr><td rowspan="5">k</td><td rowspan="5">Performance Security Posting Dates / Events</td><td>Date/ Event</td><td colspan="2">Performance Security Rate (€/MW)</td></tr>
<tr><td>From Capacity Auction completion to 24 months prior to the beginning of the Capacity Year</td><td colspan="2">20,000</td></tr>
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	Parameter	Proposed Value for 2029/2030 T-4 capacity auction	
		24-18 months prior to the beginning of the Capacity Year	30,000
		18-13 months prior to the beginning of the Capacity Year	40,000
		From 13 months to beginning of Capacity Year	50,000
		From beginning of Capacity Year	60,000
m	Full Administered Scarcity Price and Reserve Scarcity Price Curve	**Short Term Reserve (MW)**	**Administered Scarcity Price (€/MWh)**
		Demand Control	25% of VOLL Max
		0	25% of VOLL Max
		LSI	RO Strike Price
n	Anticipated values to be applied in determining the Strike Price	Current inputs to be re-applied.	
o	Capacity Aggregation Threshold	10 MW	
p	Early Incentive Start Date for New Capacity	Trading Day 30 September 2028 beginning 23:00	
-	Intermediate Contract Investment Rate Threshold	€100,000 /de-rated MW / year.	

Table 2

5. SUMMARY OF RESPONSES

Eleven responses were received with three marked confidential. The non-confidential responses were from:

1. Federation of Energy Response Aggregators (FERA);
2. Demand Response Association of Ireland (DRAI);
3. Energy Storage Ireland
4. EP UK Investments (EPUKI)
5. Scottish and Southern Electricity (SSE).
6. Bord Gáis Energy (BGE);
7. ESB GT;
8. Bord na Móna (BnM);

The T-4 2029/30 Parameters Consultation Paper sought views on Parameters as well as the Treatment of Constraints, in particular the proposed LCCA in Cork. The Parameters below received no responses and therefore will not be summarised:

f. New Capacity Investment Rate Threshold (NCIRT)

g. Annual Stop Loss Limit Factor

h. Billing Period Stop Loss Factor

i. Indicative Annual Capacity Exchange Rate

n. Anticipated values to be applied in determining the Strike Price

o. Capacity Aggregation Threshold

De-Rating Curves, defining De-Rating Factors (DRF) by unit Initial Capacity and by Technology Class

Responses pertaining to DRFs ranged from the earlier publication of data to the impact on specific technology types. Energy Storage Ireland highlighted the 'disproportionately low' DRFs applied to Battery Energy Storage Systems (BESS) which does not reflect the reliability and availability of modern storage systems. EPUKI indicated DRFs were 'disproportionately low' for new capacity which reduces capacity revenues and undermines the business case in new investments. EPUKI suggested a separate DRF for new capacity whilst Energy Storage Ireland have suggested an approach similar to that used in Great Britain (GB) and Italy in which a higher DRF is assigned to longer duration BESS. Other responses seek the publication of DRFs as soon as possible to allow industry greater time to determine business cases.

Capacity Requirement

EPUKI welcomed greater transparency around how the Capacity Requirement is set including the future introduction of a Panel of Technical Experts to support the System Operators (SOs). In addition, EPUKI have reiterated concerns around reductions which were applied to the T-4 2028/29 Capacity Requirement.

Bord na Móna (BnM) raised a point on increased transparency in the determination of capacity requirements in auctions. BnM also indicated previous auctions lacked provisions for volumes which resulted in larger projects failing to secure contracts as insufficient volumes were set within the Locational Capacity Constraint Areas (LCCA).

Indicative Demand Curve

Both BGE and EPUKI indicated there is a lack of detail in relation to the Demand Curve with the latter questioning what effect the Auction Price Cap (APC) will have. EPUKI have also recommended that the Indicative Demand Curve be set at a level which is horizontal at the APC from 0MW to 92.5% of the adjusted capacity requirement.

BGE have concerns regarding the increasing volume of capacity procured on a pay-as-bid basis and how this conflicts with the sentiment of applying pay-as-clear pricing for all in merit units.

Auction Price Cap (APC)

Most responses were in favour of Option 3 and maintaining the APC at €230,000/MWd from the T-4 2028/29 Capacity Auction. Despite the majority in favour of the €230,000/MWd APC there are a number of responses seeking a review on the Best New Entry (BNE) Net CONE as some deem it to be, 'no longer fit for purpose'. BGE have queried the lack of robust rationale in determining the APC and that it is increasingly deviating from the BNE Net CONE factor approach.

Responses from EPUKI, BnM, SSE and others have reflected upon uncertain market conditions including rising construction/connection costs, global tensions and the consequent risk of inflation and supply chain issues. BnM indicated the cap will need to be increased in the future to incentivise technologies that will be required to deliver Net Zero targets. In addition, EPUKI stressed that Existing Capacity units previously awarded an Intermediate Length Contract (ILC) received a clearing price in the T-4 2028/29 Capacity Auction which was greater than the proposed APC Options 1 & 2.

There were also concerns from one stakeholder on how inflationary trends across two jurisdictions should be considered as part of the APC setting process.
FERA, DRAI, EPUKI and another stakeholder emphasised the diminishing effect DRFs had on overall cost recovery. DRAI suggested a more granular approach to derating whereby each Participant would be incentivised with a DRF reflective of the capacity value.

Existing Capacity Price Cap (ECPC)
From the limited number of responses there is a lack of support for the 2% increase to ECPC with most stakeholders indicating this is insufficient to sustain pace with the increasing costs of maintaining capacity.

FERA indicated the UK Retail Price Index (RPI) increased by 4.27% between May 2024 and May 2025. In addition, FERA stated UK Participants in the capacity auction have an exchange rate risk which negatively moved by 1.2% between June 2024 and June 2025. EPUKI were discouraged to note that SEMC are proposing to maintain Net CONE for ECPC while accepting Net CONE is not appropriate for APC. Furthermore, EPUKI have suggested that setting a low ECPC risks pushing existing capacity into the Unit Specific Price Cap (USPC) process, creating an additional regulatory burden.

Increase Tolerance (INCTOL) and Decrease Tolerance (DECTOL) by Technology Class
SSE contended that INCTOL should be set at non-zero and whilst this does not fix the underlying problem of punitive de-rating factors, it allows generators to offer more capacity than their required obligation in the capacity auction. SSE claim this could incentivise new capacity and contribute to security of supply.
Additionally, BnM suggested INCTOL parameters should differentiate between technologies to reflect their true value and to ensure that the auction is procuring technologies that meet the long-term system needs. BnM further stated, the CRM is a technology neutral auction which, to date, has failed to deliver a balanced generation portfolio.

Performance Security Posting Dates / Events & Termination Charges
The prevailing sentiment towards the new proposal is negative with most stakeholders against a change to Performance Security. Responses focused primarily on the additional financial burden on new capacity if an additional stage of Performance Security was to be added. BnM supplemented this by suggesting third party delays have the potential to impact a developer’s ability to deliver a project and can result in a project exiting the CRM. SSE

suggested the proposed Performance Security was too high and that a lower rate should apply to larger generator units.
DRAI responded by suggesting the increase proposed in Performance Securities is unnecessary for DSUs and for single year capacity.
In contrast, ESB GT indicated the new proposal would provide greater delivery assurance for awarded capacity and this would strike a balance between deterring speculative projects and fostering wide participation in the auction. BGE accepts market participants should be responsible for higher Performance Security payments unless a project is delayed for reasons outside the responsibility of the market participant.

Administered Scarcity Price (ASP)
Limited response to ASP with FERA in support of the introduction of a variable value introducing flexibility on whatever the largest infeed might be in the future. BGE accepts the proposed reference points for ASP but advised the central SO scheduling and dispatching approach does not permit the ASP to rise to a high level as the SOs undertake pre-emptive actions before a possible scarcity event to mitigate system impacts.

Early Incentive Start Date for New Capacity
There was a limited response to this topic with DRAI agreeing with the provision of Early Delivery Incentives but suggesting this should be extended to capacity providing single year capacity. A further response also suggested that two or three year early delivery incentives should be facilitated.

Intermediate Contract Investment Rate Threshold (ICIRT)
Only one response from BGE in support of the ICIRT level remaining at €100,000/ de-rated MW/ year.

Proposed Cork LCCA
There were three responses to the proposed Cork Harbour LCCA, two of which were opposed to the proposal, whilst one did not indicate a specific preference; however, all three enquired if other solutions had been adequately considered as alternative.

SSE gave a more general response, welcoming information on constraints whilst requesting as much clarity and transparency as possible on indicative location constraints and capacity requirements, a sentiment echoed by BGE and ESB GT also. Specifically on the proposed LCCA in the Cork Harbour area, SSE questioned if this would continue a similar precedent

set in the Dublin LCCA to impose a limit on the amount of capacity which could receive capacity contracts in an LCCA and asked if other solutions were being considered to address the LCCA. SSE also queried whether the SEM Committee will continue to allow the constrained element auction to solve using multi-year new capacity, and if this makes all contract durations equal in order to meet capacity constraints.

Both ESB GT and BGE were not supportive of the Cork Harbour LCCA proposal for policy, market signalling and technical reasons. They both cited the 2017 European Commission (EC) State Aid Decision on the Capacity Mechanism which envisaged that locational constraints resulting from network congestion would be "gradually resolved to a large extent by the end of the transitional period, i.e. 2024", with ESB GT suggesting a new LCCA goes "explicitly contrary to the spirit of the EU Commissions' State Aid decision". ESB GT also indicated that the introduction of a LCCA would be contrary to State Aid determinations that "the measure should be open and provide adequate incentives to both existing and future generators" by excluding inclusions of new projects in the Cork area for the foreseeable future.

Technical objections raised have focused on suggestions that the proposed LCCA does not address the root cause of the issue, which both responses cite as, lack of planning and delivery of new grid and reinforcement by the SOs in the area. BGE also argued that including a Cork Harbour LCCA would be an arbitrary, subjective locational signal which could undermine market confidence in the Enduring Connections Process (ECP) connection process. They also cited increased uncertainty created by the potential for the introduction of other LCCAs, whilst ESB echoed this, pointing to unintended exit signals and impact on long-term investment signals for new generation if introduced.

An alternative solution suggested by both ESB GT and BGE included the use of Special Protection Schemes (SPS) or other power control technologies, whilst long term grid reinforcements are ongoing, although BGE specifically suggested that a robust connection process be used in parallel to a Celtic interconnector runback SPS, rather than a SPS in the Cork Harbour area.

BGE also suggested that the ECP connection process with the SOs' qualification assessment process is a feasible management of the issue until grid connection becomes a pre-requisite for qualification. They specifically point to the inclusion of deep reinforcement requirements attached to offers, saying this would provide the incentive (or disincentive),

whilst allowing the SOs to offer a route to grid connection that is compatible with power systems limits. BGE considered that the appropriate avenue to resolve the SOs' capacity concerns in this instance is through the ECP connections process, together with the SOs' qualification assessment process, suggesting this would preserve the decision on where to invest in the hands of the market.

Finally, BGE also pointed to a wider issue in the South East region, with an expectation of additional generation from Celtic interconnector and off-shore renewables, requiring planning and reinforcements along the South East corridor nodes (from Knockraha to Carrickmines). They pointed to a lack of public SO planning information on how this will be accommodated and delivered.

The SOs responded to the consultation via email to the RAs, including on the question of whether solutions such as SPSs had been considered. They noted their view that such measures are typically considered a temporary measure and not deemed a suitable solution for this longer-term issue in Cork Harbour. They also commented on trade-offs associated with this approach, including in terms of impacts on other system users, the dispatch of other plants, the resources required to maintain the scheme, and the increased operational complexity of managing the power system, and stated that they did not consider the benefits of an SPS to outweigh the trade-offs when compared to the LCCA proposal. They noted that given the significant infrastructure work required in the Cork Harbour area, any SPS implemented would likely remain in place for over a decade.

Other Comments

Auction to Delivery

SSE, BnM and ESB GT have reflected upon the need to hold auctions well in advance of delivery with the latter suggesting a T5 or T6 auction would reflect 'real-world implementation timelines'. SSE have proposed an increase of six months on the 18 month Long Stop Date (LSD) and a corresponding increase on the Capacity Quantity End Date and Time (CQEDT). BnM also suggested a six-month lengthening of the LSD.

Decarbonisation

BnM highlighted the need to decarbonise conventional generation to meet climate targets. They state the Capacity Remuneration Market (CRM) appears to operate on a least cost basis with no recognition of the carbon intensity of the capacity procured. BnM also indicate clear signals are needed to attract the right technologies.

DSUs

Two responses proposed Demand Side Units (DSU) awarded with contract durations greater than one year, through the Exception application process, should be afforded the same allowance to submit an additional performance security level as contracts of a one-year duration if they are not able to meet the SFC date.

6. SEM COMMITTEE RESPONSE

De-Rating Curves, defining De-Rating Factors (DRF) by unit Initial Capacity and by Technology Class

The RAs undertook an assessment on unit availability data (EDIL declarations) of DSUs and Battery Energy Storage Systems (BESS) provided by the SOs that has informed the SEM Committee's decision-making ahead of the publication of the Initial Auction Information Pack, which will contain the DRFs for the next auction.

The review of unit availability undertaken by the RAs has shown that:

- DSUs are not contributing towards system adequacy as expected. Average availability of DSUs is generally poor, including during peak hours of highest net demand in the year. At peak hours, only an increase in 0.5% availability was found in data assessed (CY 2023/24) when compared to average availability across all hours.
- There are a small number of DSU outliers with good availability (up to 80% on average throughout the year), including at peak hours. However, it was not possible to group better-performing DSUs according to their inherent characteristics.
- Battery availability is high. Data reviewed from CY 2021/2022 to date suggests an average availability of CRM contracted capacity of > 95%.
- Post-discharge battery unavailability is not currently a factor as utilisation in CY 2023/2024 and 2024/2025 has been very low (< 2.5%).

The DRF results showed that the contribution of additional shorter duration energy-limited capacity towards system adequacy is limited for the CY 2029/30. The SOs concluded that DRF determination is presently influenced more by variations in the opportunities for marginal units than their availability.

In addition to the analysis undertaken, the RAs also acknowledge that there are shortcomings associated with the use of technology-class DRFs. The SEM Committee

therefore intends to consider possible changes to the DRF methodology, which could include unit-specific DRFs. Nonetheless, the SEM Committee recognises that such a change would require significant policy analysis and development, and the output may not necessarily lead to increased DRFs, given that availability is not the only factor impacting the results of marginal DRFs.

The RAs have requested that the SOs review the possibility of unit-specific DRFs, although this will not be completed for consideration for the T-4 2029/30 Capacity Auction.

Indicative Demand Curve

The SEM Committee have decided to set the Indicative Demand Curve as the following:

- Horizontal at the Auction Price Cap from 0 MW to 85%[6] of the Net Auction Requirement.
- Slopes down in a straight line to 115% of the Initial Capacity Requirement.
- The line passes through the point at where the volume is equal 100% of the initial Capacity Requirement and the price equals Net CONE

Auction Price Cap (APC)

The SEM Committee have decided to set the Auction Price Cap at €230,000/MWd. The SEM Committe will continue to review APC to ensure it provides an appropriate balance between security of supply and cost to consumers.

Existing Capacity Price Cap (ECPC)

While respondents indicate the inflationary increase is insufficient to meet costs of existing plant, the SEM C has decided as per the previous auction, the ECPC will be increased by 2% from the T-4 2028/2029 Capacity Auction equating to €56,792 / de-rated MW / year as proposed in the T-4 2029/30 Parameters Consultation paper.

Increase Tolerance (INCTOL) and Decrease Tolerance (DECTOL) by Technology Class

The SEM Committee have considered stakeholder responses but remain content to continue with the proposal as set out in the Parameters Consultation paper for the T-4 2029/30 Capacity Auction.

[6] Again, 85% is rounded to the nearest percent, the actual amount to purchase at APC is subject to the auction rules under the CMC.

Performance Security Posting Dates / Events & Termination Charges

The SEM Committee have considered the comments received on the proposed introduction of an additional Performance Security stage and the concerns expressed by some stakeholders. The increase in Performance Securities is designed to reduce the number of speculative projects entering the Capacity Market. It is anticipated the increase in Performance Securities will help safeguard security of supply in future years. This is in line with the Ernst & Young (EY) Report from 2022 which assessed incentives for delivery were too low to ensure new capacity reached completion. The proposed additional stage to Performance Securities will be implemented for the T-4 2029/30 Capacity Auction.

Administered Scarcity Price (ASP)

The SEM Committee welcomes feedback to its request for views on whether changes could be made to the parameters of the ASP function to encourage availability at times when system margins are tight.

There was a limited but positive response to ASP and the SEM Committee will retain the proposal as set out in the T-4 2029/30 Parameters Consultation paper.

Early Incentive Start Date for New Capacity

The limited response to this topic was favourable and the proposed Early Delivery Incentive Start Date commencing at the start of the Trading Day beginning at 23:00 on 30 September 2028 is confirmed.

Intermediate Contract Investment Rate Threshold (ICIRT)

Only one response in favour of the €100,000 /de-rated MW / year and this is confirmed for the T-4 2029/30 Capacity Auction.

Treatment of constraints

Proposed Cork LCCA

Noting the feedback received to the consultation, the SEM Committee has serious concerns in relation to this proposal. Firstly, the SEM Committee acknowledges the network constraint issues raised by the SOs, which are the driver for this proposal. Nonetheless, the SEM Committee is not convinced that the introduction of a new LCCA is the appropriate response to these issues. The inclusion of another LCCA will not in itself resolve the issue; indeed, the SOs' have indicated that this is a long-term constraint, unlikely to be resolved fully in the next ten years. The existing infrastructure in the Cork Harbour and throughout the southern part of the transmission system is not sufficient to facilitate developing strategic needs - including

a greater level of decarbonisation, demand growth, the connection of the Celtic interconnector and future renewable generation such as offshore wind development including Tonn Nua. The SEM Committee therefore considers that delivery of significant network reinforcement should be undertaken by the TSO to resolve this constraint, which is likely to necessitate 400kV infrastructure. The SEM Committee also notes that funding for infrastructure delivery has already been provided by CRU in PR5, with a further significant step increase (205%) proposed for network and non-network capital funding proposed for PR6.

The SEM Committee is also of the view that other measures are at the disposal of the SOs in terms of managing this constraint until such a time that long-term network improvements have been delivered. Short-to-medium term options that should be further explored include the use of generation runback schemes, network sectionalising and power control. The SEM Committee emphasises that these are not a substitute for the delivery of network infrastructure.

Secondly, the SEM Committee recalls the State aid decision, which described the North-South constraint and Dublin area constraint as a temporary solution. It was also agreed that a bidding zone review would be required if any additional LCCAs were to be added.

Finally, the SEM Committee notes the comments of one respondent which pointed to the Electricity Connection Policy (ECP) process being the appropriate way for the SO to stipulate the requirements associated with a connection offer. The SEM Committee considers that this is a sensible approach to ensure that capacity that is contracted through the CRM can support adequacy.

Therefore, the SEM Committee does not approve the addition of a Cork Harbour LCCA, whilst asking the SOs to thoroughly investigate all other potential solutions in the short to medium term whilst also addressing long term network infrastructure requirements.

7. SEM COMMITTEE DECISION – CY 2029/30 CRM PARAMETERS

Table 3 summarises the decisions taken by the SEM Committee considering the responses above. The following parameters will apply for the T-4 CY2029/30 Capacity Auction.

	Parameter	Proposed Value for 2029/2030 T-4 capacity auction
a	De-Rating Curves, defining De-Rating Factors by unit Initial Capacity and by Technology Class (including Interconnectors)	To be determined by System Operators (SOs) prior to publication of Initial Auction Information Pack.
b	Capacity Requirement	To be determined by SOs prior to publication of Initial Auction Information Pack.
c	Indicative Demand Curve	• The Demand Curve for the 2029/2030 T-4 auction will be set as the following: • Horizontal at the Auction Price Cap from 0 MW to 85%[7] of the Initial Capacity Requirement. • Slopes down in a straight line to 115% of the adjusted Capacity Requirement. • The line passes through the point at where the volume is equal 100% of the Initial Capacity Requirement and the price equals Net CONE
d	Auction Price Cap (APC)	€230,000/MWd
e	Existing Capacity Price Cap (ECPC)	2% increase on the T-4 2028/2029 Capacity Auction: €55,678 x 1.02 = €56,792 / de-rated MW / year.

[7] 85% is rounded to the nearest percent, the actual amount to purchase at APC is subject to the auction rules under the CMC.

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<tr><th></th><th>Parameter</th><th colspan="3">Proposed Value for 2029/2030 T-4 capacity auction</th></tr>
<tr><td>f</td><td>New Capacity Investment Rate Threshold (NCIRT)</td><td colspan="3">€300,000 /de-rated MW / year.</td></tr>
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	Parameter	Proposed Value for 2029/2030 T-4 capacity auction	
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		24-18 months prior to the beginning of the Capacity Year	30,000
		18-13 months prior to the beginning of the Capacity Year	40,000
		From 13 months to beginning of Capacity Year	50,000
		From beginning of Capacity Year	60,000
m	Full Administered Scarcity Price and Reserve Scarcity Price Curve	**Short Term Reserve (MW)**	**Administered Scarcity Price (€/MWh)**
		Demand Control	25% of VOLL Max
		0	25% of VOLL Max
		LSI	RO Strike Price
n	Anticipated values to be applied in determining the Strike Price	Current inputs to be re-applied.	
o	Capacity Aggregation Threshold	10 MW	
p	Early Incentive Start Date for New Capacity	Trading Day 30 September 2028 beginning 23:00	
-	Intermediate Contract Investment Rate Threshold	€100,000 /de-rated MW / year.	

Table 3