



Energia Response to SEM-25-023

Capacity Market Code Modifications Workshop 43 (Part A) Consultation Paper

03 July 2025

Energia welcomes the opportunity to respond to SEM-25-023. Energia actively participated at CMC Workshop 43 when the proposed modifications were discussed.

Energia has consistently argued that the CRM should support projects that have the best chance of delivering on-time for the start of a capacity year. Failure to deliver New Capacity on time, particularly large new projects with relatively high de-rating factors, leads to capacity deficits that pose a risk to security of supply or require expensive short-term mitigations that are ultimately paid for by consumers.

On that basis, Energia supports CMC_08_25, that seeks to specify in the CMC that to qualify for capacity auctions projects require a grid connection offer, planning permission, and a gas connection offer. Experience of the CRM has shown thus far that it is the delay in the attainment of these key permissions that have predominantly led to large New Capacity projects failing to deliver on time.

It is for the same underlying rationale that Energia is opposed to CMC_04_25, which seeks to allow large complex projects to qualify for capacity auctions if they can deliver by the long-stop date. It would instead be preferable for the RAs to ensure that lead times of capacity auctions were at least four years. To allow some capacity to qualify that will deliver after the start of the capacity year would create an unlevel playing field in the auction with capacity that is able to deliver by the start of the capacity year.

Energia has no further comments on the remainder of the modifications in this consultation paper.