



Single Electricity Market (SEM)

Capacity Market Code Modifications

Workshop 46

Consultation Paper

CMC_19_25	Information on Remedial Actions – Extensions and Terminations
CMC_20_25	Modification to Support Online Secondary Trading
CMC_21_25	Consumer-developer NPV sharing mechanism for delayed capacity projects

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Appendix A – Capacity Market Code Modification Timetable

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1. OVERVIEW

1.1 ABSTRACT

1.1.1 The purpose of this consultation paper is to invite industry participants to provide feedback and comments regarding the Modification Proposals to the Capacity Market Code (CMC) discussed at Workshop 46, held on 19 November 2025.

1.1.2 During this Workshop, three Modification Proposals were presented. This consultation paper relates to:

CMC_19_25 Information on Remedial Actions – Extensions and Terminations

CMC_20_25 Modification to Support Online Secondary Trading

CMC_21_25 Consumer-developer NPV sharing mechanism for delayed capacity projects

1.2 BACKGROUND

1.2.1 On 03 November 2025, ESB GT submitted one Modification Proposal (CMC_19_25) under the terms of B.12.4 of the CMC.

1.2.2 On 05 November 2025, the System Operators (SOs) submitted one Modification Proposal (CMC_20_25) under the terms of B.12.4 of the CMC.

1.2.3 On 05 September 2025, BGE submitted one Modification Proposal (CMC_21_25) under the terms of B.12.4 of the CMC.

1.2.4 The RAs also reviewed the Modification Proposals submitted to this workshop and determined that they were not spurious as per B.12.6.1 of the CMC.

1.2.5 On 28 November 2025, the RAs then determined the procedure to apply to the Modification Proposals. This is shown in Appendix A. An overview of the timetable is as follows:

- i. The System Operators convened Workshop 46 where the Modification Proposals were considered on 19 November 2025.
- ii. The System Operators, as set out in B.12.7.1 (j) of the CMC, prepared a report¹ of the discussion which took place at the workshops, provided the report to the RAs, and published it on the SEM-O website promptly after the workshop.
- iii. The RAs are now consulting on the Modification Proposals, from the date of publication of the consultation until the closing date of Friday 06 February 2026.
- iv. As contemplated by B.12.11.6, the RAs will make their decision as soon as reasonably practicable following conclusion of the consultation and will publish a report(s) in respect of their decision, at the earliest, by 20 March 2026.

¹ [Capacity Modifications Workshop 46 Report v1.0.pdf](#)

1.3 PURPOSE OF THIS CONSULTATION PAPER

- 1.3.1 The purpose of this paper is to consult on the three proposed standard Modifications. Further detail is set out in the appended Modification Proposals in Appendix B.
- 1.3.2 The Regulatory Authorities hereby give notice to all Parties and the Market Operator of a consultation on the Modification Proposals.
- 1.3.3 Interested Parties and the Market Operator are invited to make written submissions concerning the proposed Modifications by no later than 17:00 on Friday 06 February 2026.
- 1.3.4 **Please note that late submissions will not be accepted.**
- 1.3.5 Upon closure of the consultation process, the Regulatory Authorities intend to assess all valid submissions received and form a decision to make a modification, not make a modification or undertake further consideration of the modification in respect of each Modification Proposal.

2. MODIFICATION PROPOSALS

2.1 CMC_19_25- INFORMATION ON REMEDIAL ACTIONS – EXTENSIONS AND TERMINATIONS

Proposer: ESB GT

[CMC_19_25: Proposal Overview](#)

- 2.1.1 This Modification Proposal seeks to introduce a requirement that where an extension to relevant capacity delivery dates is granted under CMC sections J.5.5, J.5.6, J.5.7 or J.5.8, the Participant shall publish this information on an approved Inside Information Platform.
- 2.1.2 The Modification Proposal also seeks to insert language to CMC section J.6.1.8(b) to stipulate that the publication by the SOs of a notice that it has terminated Awarded Capacity must be done within 25 working days. The Proposer has lastly also proposed a new section (J.6.1.8A) to require publication of the Termination Notice by the SOs, subject to no Notice of Dispute being notified, on an approved Inside Information Platform within 25 working days.

[CMC_19_25: Workshop Feedback](#)

- 2.1.3 Capacity Market Code Modifications Workshop 46 took place on 19 November 2025, where the Modification Proposal was presented and discussed by ESB GT.
- 2.1.4 The DRAI supported the Modification and asked if there is a singular source to view all of the capacity obligation holders instead of viewing all of the associated auction results.
- 2.1.5 Energia stated that it is supportive of greater transparency and the rationale to publicise granted extensions and asked what body should be obligated to publish this data. Energia also opined that publication of inside information is already a requirement under REMIT legislation and would it therefore be better to simply state that all participants must be REMIT compliant. Energia also questioned where the obligation should sit.
- 2.1.6 The TSOs noted that the AIRAA appendices may contain the information requested by the DRAI and noted that participants could contact the TSOs if further assistance was needed.
- 2.1.7 BnM stated that it was supportive of the Modification Proposal and were keen to ensure disclosures applied to all extensions regardless of whether the milestone extended had passed.
- 2.1.8 FERA supported the proposal, agreed with the DRAI in seeking transparency and stated that more work was required to understand what body is obligated to provide greater transparency in this regard.
- 2.1.9 Captured Carbon stated support for the Modification Proposal and stated that in its view, it made the most sense for SEM-O to publish this information.
- 2.1.10 BGE also stated that SEM-O should be obligated to provide this information and should this happen, it would make the investment landscape more transparent.

- 2.1.11 SSE agreed on the point of transparency and that SEM-O should publish this.
- 2.1.12 The SOs also welcomed transparency and stated that they currently have an obligation to disclose the notice but cautioned that adding a time-bound requirement would be challenging given the varied nature of terminations and disputes. They noted that 25 days would not be sufficient to enable a proper dispute resolution process where applicable.
- 2.1.13 ESB GT acknowledged this reality and that additional caveat language may be required but opined that not all terminations are subject to dispute.
- 2.1.14 Captured Carbon asked if the SOs have an issue publishing information on extensions.
- 2.1.15 The SOs responded by saying that this is not a current requirement. They further noted that they had no objection to the administration of it if such a requirement was added to the CMC but that whether or not the market would be happy with this agreement is another matter.
- 2.1.16 ESB GT finished the discussion on this Modification Proposal where they stated that the Modification Proposal drafting can be changed if there is merit in separating this out. It further stated that it wants to make the different types of terminations and the rules that would apply explicitly and that it looks forward to the consultation responses.

[CMC_19 _25: RA Considerations](#)

- 2.1.17 The SEM Committee welcomes feedback and comments regarding this Modification Proposal.
- 2.1.18 The SEM Committee notes that some market messages related to changes in expected delivery have been published on Nordpool by some Market Participants but that the level of detail varies and does not appear to contain the full information envisioned by the proposal. The SEM Committee would welcome feedback from Market Participants on what level of information they have published in this regard to date.
- 2.1.19 Furthermore, the SEM Committee would welcome industry feedback regarding their understanding of what information is required to be published in relation to extensions under REMIT.
- 2.1.20 In addition, views on whether a CMC Modification is the appropriate vehicle to proceed would be useful. The SEM Committee notes its previous statement in 2023 expressing a desire to avoid any duplication of existing requirements.²
- 2.1.21 The SEM Committee notes comments relating to SEM-O's role in publication and would welcome further elaboration from market participants to substantiate the views expressed.

² [SEM-23-101 Delay Mod Decision paper - for publication.pdf](#)

2.2 CMC_20_25- MODIFICATION TO SUPPORT ONLINE SECONDARY TRADING

Proposer: EirGrid / SONI (TSOs)

[CMC_20_25: Proposal Overview](#)

- 2.2.1 This Modification Proposal, according to the proposer, seeks to introduce changes to the CMC to support the transition to online Secondary Trading at all times. Currently, wording in the CMC does not account for trades conducted on weekends, so this change proposes to change the wording in M.12.3.2(a) from 'working' day to 'calendar' day.
- 2.2.2 The TSOs argue that without this change, all secondary trades conducted on weekends would have to be rejected.

[CMC_20_25: Workshop Feedback](#)

- 2.2.3 Capacity Market Code Modifications Workshop 46 took place on 19 November 2025, where the Modification Proposal was presented and discussed by the SOs.
- 2.2.4 The RAs noted that this is a minor change and asked the TSOs to clarify the intended date for implementation and if this would be the same as the first day of phase 1 of implementation of the Online Trading Platform.
- 2.2.5 The TSO confirmed that if this proposal were accepted, it would align with phase one implementation.

[CMC_20_25: RA Considerations](#)

- 2.2.6 The SEM Committee welcomes feedback and comments regarding this Modification Proposal.

2.3 CMC_21_25- CONSUMER-DEVELOPER NPV SHARING MECHANISM FOR DELAYED CAPACITY PROJECTS

Proposer: BGE

[CMC_21_25: Proposal Overview](#)

- 2.3.1 This Modification Proposal seeks to introduce a mechanism whereby Net Present Value (NPV) compensation could be applied to a participant's capacity payment where a project is delayed and receives an extension to its Capacity Quantity End Date and Time (CQEDT).
- 2.3.2 The proposal states that, in contrast to CMC_07_25, there is no obligation to determine or attribute 'fault' for the delay, and the RAs retain full discretion to determine if a successful CQEDT extension should also be awarded an NPV adjustment. The NPV adjustment proposed in CMC_21_25 also includes a risk sharing factor of 50:50 between the developer and the consumer.

- 2.3.3 A final change described by the proposer from CMC_07_25 is that under CMC_21_25, an NPV adjustment could only be applied in the event of a delay relating to a grid connection, gas connection or the securing of planning permission.

CMC_21_25: Workshop Feedback

- 2.3.4 Capacity Market Code Modifications Workshop 46 took place on 19 November 2025, where the Modification Proposal was presented by BGE.
- 2.3.5 Energia stated that they are concerned with the lack of transparency behind extensions and that the proposed NPV adjustment, if accepted, would be at the discretion of the RAs and suggested that this may lead to arbitrary application of NPV and therefore result in undue discrimination.
- 2.3.6 BGE responded to Energia's comments and stated that its question was valid and noted that this proposed approach is no different to the RA decision making process around the various milestone extension requests.
- 2.3.7 ESB GT stated support for the Modification Proposal and all previous versions of it. It also deemed it appropriate for RAs to have discretion to administer this proposed mechanism and that there are risks which developers cannot manage.
- 2.3.8 SSE stated support for this Modification Proposal and all previous versions of it. It also outlined that T-4 auction lead-in times are often shorter than the stated four years, that developers need more time to deliver and that an incentive already exists for developers to deliver early, through the Early Delivery Incentives, but that this isn't always possible due to third-party delays.
- 2.3.9 BnM stated that they were supportive of the Modification Proposal and considered that it represents a balance of risk. It also opined that the APC places limits on the viability of projects and therefore, this adjustment would give some recognition of protection to developers and to the consumer in terms of security of supply.
- 2.3.10 Captured Carbon mentioned a reason for rejection for CMC_07_25 that developers could benefit from a delay, where it stated that if a project is delayed, it will miss energy revenues and wants to have as many revenue streams as possible.
- 2.3.11 The RAs thanked the proposer for the presentation of this Modification Proposal. They stated that the SEM Committee's view, as expressed in the decision to CMC_07_25 is that an appropriate balance has already been struck in terms of taking a permissive approach to delays introduced through SEM-23-001 and SEM-23-101, and protecting the consumer. The RAs noted that the policy introduced through SEM-23-101 is not enduring and will remain in place until further notice. Responding to Captured Carbon, they noted that whilst developers potentially benefitting from the acceptance of CMC_07_25 was one reason for rejection, it was not the central factor and the key reason for rejection of this Modification was to maintain the balance in the Capacity Market outlined above.

- 2.3.12 The RAs also stated that the whilst the proposal seeks to avoid identifying fault, it requires the RAs to ascertain if the delay is related to grid/planning delays, and questioned whether this was a contradiction.
- 2.3.13 BGE responded to this last comment from the RAs and stated that in this regard, the proposal is circular but that various State agencies may have different views on the cause of delay. BGE also clarified that they would not have to identify the sole cause but the main cause of delay.
- 2.3.14 The TSOs commented that two Modification Proposals have previously been raised that were very similar to this one and that from the presentation, they were unsure how materially different this proposal was.
- 2.3.15 They also stated that at developer reporting sessions, where many delay issues are discussed, the cause can be subjective and therefore, an independent viewpoint is often required to determine the cause of delay. The TSOs also stated that there may be unintended consequences if this Modification Proposal were to be accepted and there are material commercial considerations that need to be considered along with how this process would be governed through the CMC.
- 2.3.16 BGE responded to the various points raised by the TSO where it stated that it doesn't see how this proposal requires less discretion than other RA decisions and that the RAs have an obligation to manage consumer interest and maintain viability of units. BGE argued that other factors should be considered, including security of supply and the future costs from emergency generation. They requested that if the SOs were not in favour of this proposal due to a need to carry out an impact assessment, then this should be done before responding to the RAs' consultation. BGE also noted that the 50/50 risk-sharing element of the current proposal makes this fairer from a consumer perspective even if BGE was reluctant to include this. They noted that the proposal was needed to make investment in the market more secure and transparent.
- 2.3.17 ESB GT also stated that developers manage their risk through the OEM aspect of contract and that since there is always a need for gas and grid connections, developers can only mitigate this risk to a certain extent. ESB GT also stated that elements of fairness and balance of risk should be further considered and that longer lead in times would mitigate these problems significantly, i.e. by holding auctions five/six years in advance.
- 2.3.18 The RAs took note of this feedback and stated that they are exploring the idea of longer auction lead in times. The RAs again emphasised that the SEM Committee considers that it has already struck an appropriate balance of risk and that there is no further need for additional Modifications. The RAs clarified that whilst other matters regarding the detail of the proposal can be debated, this is the overarching viewpoint of the SEM Committee.
- 2.3.19 BGE responded that the risk is really material in terms of existing projects and that it will submit prolongation costs to explain the impact of these, and that any rowing back of SEM-23-101 may impact the SEM investment landscape.
- 2.3.20 BnM further opined that it can prove difficult to complete projects and that developers are operating with best endeavours.

CMC_21_25: RA Considerations

- 2.3.21 The SEM Committee welcomes feedback and comments regarding this Modification Proposal.
- 2.3.22 The SEM Committee notes that modifications with a similar underlying principle have been rejected by the SEM Committee in recent years, namely in the form of CMC_04_24 and CMC_07_25.
- 2.3.23 The SEM Committee understands the delivery landscape for new generation remains challenging and recognises the difficulty in delivering projects in a timely manner. The SEM Committee reiterates that while the policy mechanism to consider applications for extensions introduced via SEM-23-101 remain in place at this time, it is not an enduring feature of the market.

3. CONSULTATION QUESTIONS

- 3.1.1 The SEM Committee welcomes views and responses on the Modification Proposals raised within this consultation paper.
- 3.1.2 Respondents are invited to provide comments and feedback in respect of:
- the Modification Proposals and their consistency with the Code Objectives.
 - any impacts not identified in the Modification Proposals Forms, e.g., to the Agreed Procedures, the Trading and Settlement Code, IT systems etc.; and
 - the detailed CMC drafting proposed to deliver the Modifications.
- 3.1.3 A template has been provided in Appendix C for the provision of responses.

4. NEXT STEPS

- 4.1.1 The SEM Committee intends to decide, at the earliest, by 20 March 2026 on the implementation or otherwise of the Modifications outlined within this consultation paper as per B.12.11.6 of the CMC.
- 4.1.2 Responses to the consultation paper **must** be sent to both the UR and CRU CRM Submissions inboxes (CRMsubmissions@uregni.gov.uk and CRMsubmissions@cru.ie), **by close of business 17:00 on Friday 06 February 2026. Please note that late submissions will not be accepted.**
- 4.1.3 We intend to publish all responses unless marked confidential. While respondents may wish to identify some aspects of their responses as confidential, we request that non-confidential versions are also provided, or that the confidential information is provided in a separate annex. Please note that both Regulatory Authorities are subject to Freedom of Information legislation.