Single Electricity Market

(SEM)

GENERATOR FINANCIAL PERFORMANCE IN THE SEM

FOR FINANCIAL YEAR 2023

Report

SEM-26-15

24 March 2026

EXECUTIVE SUMMARY

INTRODUCTION TO THE GENERATOR FINANCIAL PERFORMANCE REPORT

About the Generator Financial Performance Report

The Generator Financial Performance Report (GFPR) examines the financial performance of licensed generation companies with a combined ownership capacity greater than or equal to 25MW operating on the island of Ireland in the Single Electricity Market (SEM).

The report provides aggregated information on the financial performance of generators in the SEM and includes a breakdown by generation fuel source. The SEM Committee (SEMC) has been publishing these reports since 2013.

The main objectives of the report are to provide greater insight into the financial performance of generators in the SEM, which may inform policy decisions, to improve the level of market data available, and should increase market transparency.

The latest data included in this current report relates to the 2023 financial year. The significant lag between the reporting period covered by the GFPR and the publication of the data is due to the time taken by generation companies to complete their financial audits, and the subsequent submission and collation of the relevant data. The latest data included in this current report relates to the 2023 financial year.

GFPR 2023 – context and key highlights

Importantly, therefore, the context for this report, in 2023, is markedly different in terms of commodity prices, and their impact on electricity prices, to the current context at the time of publication. Between FY2022 and FY2023, the wholesale price of gas dropped significantly. The SEM Day Ahead Market (DAM) average price was €225.60/MWh in FY2022, and this has reduced to €122.18/MWh in FY2023.

This report sets out the level of profitability of generators in the SEM for FY2023. As noted above, the report does not consider how these profits compare to other markets. Importantly, there is a significant variation in the profitability across different generator types. Over the past number of years, the profitability of different generator types in the SEM has increased by comparison to assessments of SEM generator profitability between 2013 and 2021. This has primarily been driven by the energy crisis, and the steep increase in gas costs through 2021 and 2022. Gas prices have not fully returned to pre-crisis levels and remain above the longer-term average. This feeds through to significant profits for low-marginal cost generators.

Key findings:

- Overall installed capacity increased from 11,760 MW to 11,927 MW in 2023, but the volume of electricity sold decreased by 14%, reflecting significantly increased imports. Installed capacity of gas generation decreased by 0.8% and wind increased by 1.9%.
- Gas and wind and solar generators made up 72% of generators reporting for GFPR for FY2023.
- The net profit margin for gas generators, the technology type that produces the majority of the electricity consumed in the relevant year, was 8%. The net profit of gas generators almost halved to €270.36 million in FY2023, from €434.5 million in FY2022.
- While the net profit for wind and solar generator decreased by 26% in FY 2023, compared to FY2022, the net profit per MW of installed capacity was significantly higher in percentage terms (35% net margin). This is a feature of all markets across the world and the EU transitioning to a high renewable-dominated system. Clean spark spreads (the difference between the market price and the short-run costs of producing a MWh from gas) are not significant during the year. For some gas, wind and solar generators, these figures include revenue from other, non-SEM sources, such as renewable energy support schemes.
- SEM prices tracked the highly liquid, competitive GB market prices closely. This provides a good indication that prices are generally efficient and competitive. However, as noted above, revenues for low-marginal cost generators are high across the year.
- The percentage of electricity sold from coal generators dropped to 6.4%. The percentage of oil and distillate has fallen to essentially zero
- In the place of coal and oil/distillate generation, there have been increased levels of cleaner more efficient gas generation and wind/solar generation. The combined total of these 2 categories is 88% of electricity sold in SEM. This should help reduce the carbon intensity of electricity produced and moderating gas prices have helped to lower electricity prices.

In response to the pronounced profits of low-marginal cost units during the energy crisis, emergency measures were taken by the EU and UK government to reduce extraordinary inframarginal rents. The revenues of some generators were impacted by these measures during this reporting year. Depending on the generator's accounting approach, this may affect earnings and profits in FY2023 or FY2024. The SEMC understands that many generators have not included the impact of inframarginal rent caps in their submissions for FY2023. As this deduction in revenues has not been widely applied, profits reported for FY2023 for wind and solar units appear higher than they will be in practice.

Improving future generator financial performance reporting

Importantly, over the last year, SEMC has taken steps to improve generator financial performance reporting. In June 2025, the SEM Committee published a decision (SEM-25-026) on some amendments to the GFPR reporting framework. The decision extended the scope of the reporting obligation to a range of important, newer market participants who are playing an increasingly important role in the market – demand side units and assetless traders. As part of this process, SEMC invited views on the value of the GFPR generally beyond that of market transparency . The feedback to this question was negative. Following this, and on wider questions around the profitability of generators generally, SEMC procured an assessment of the GFPR framework.

The report identified that there are no similar reports prepared in other markets globally, but that SEM profitability compared consistently with benchmarks available for comparator markets. The report also proposed a range of short-, medium- and long-term changes that SEMC could consider for improving the GFPR process overall. The SEMC will bring forward these recommendations, including information on the international comparisons included in the report, for consultation in 2026. On that basis, the Regulatory Authorities (RAs) will not begin work on GFPR for FY2024 until considering what changes may be necessary to improve the administrative overhead, timeliness and usefulness of the report for consumers and market participants.

While changes will be made to the framework in future, as a general point, SEMC recognises the value of reporting generator financial performance. However, there is a need to review and update the process and framework to ensure that the process is efficient and proportionate for market participants and RAs, while also continuing to provide useful market transparency across the market and for users of electricity in a timely way.

SUMMARY OF FINDINGS

The operating environment for global energy markets in 2023 saw a drop in the wholesale price of gas from the high levels of 2022. This moderated SEM wholesale electricity prices in FY2023. The SEM Day Ahead Market (DAM) average price was €225.60/MWh in FY2022, and this has reduced to €122.18/MWh in FY2023.

The lowering of wholesale gas prices and reduced concerns over generator availability have come at an opportune time as SEM moves away from coal generation. Increased wind and solar generation and a small increase in the percentage of generation coming from gas have broadly replaced coal generation.

The overall installed capacity increased from 11,760 MW to 11,927 MW in 2023, but the volume of electricity sold decreased by 14%, reflecting significantly increased imports. Installed capacity of gas generation decreased by 0.8% and wind increased by 1.9%.

Some key figures are listed below:

- In terms of installed capacity, Gas, and Wind and Solar generators made up 72.5% of the generators who reported their GFPR for FY2023. They accounted for 88% of the electricity sold.
- The net profit for Gas generators almost halved to €270.36 million in FY2023, from €434.5 million in FY2022.
- The net profit for Wind and Solar decreased by 26% in FY2023 compared to FY2022.
- Coal Generation represents 6.4% of the electricity sold in FY2023 however it may not be included as a fuel category in GFPR from now on as it is not expected to be used as a fuel source for much longer. The Net Profit, Gross Margin and Net Margin figures for Coal were all substantially negative in FY2023. Coal was used as a generator of last resort during 2021 and 2022 during which these figures were substantially positive.
- Distillate and Oil is reflected in the report as 0% of total generation (0.00043% of electricity generation for FY2023, down from 0.9% in FY2022). This is due to the closure of the oil-burning Generators at Tarbert in Co. Kerry. It is unlikely, therefore, to be included in the next GFPR.

As noted, the percentage of electricity sold from coal generators has dropped to 6.4% and it is expected to fall to zero for the next reporting year. The percentage of electricity sold from the category of distillate and oil has also fallen to essentially zero. In their place there are increased levels of cleaner and more efficient gas generation and wind/solar generation in FY2023. The combined total of these 2 categories is 88% of electricity sold in SEM. This

should help reduce the carbon intensity of electricity produced and moderating gas prices have helped to lower electricity prices. The continued roll out of a diverse range of renewable technologies- robust to low wind periods - combined with new efficient gas generation will support consumer interests in the medium to longer term.

KEY FINDINGS

Financial Year 2023 - Summary	All Generators
Installed Capacity - MW	11,927
Volume of Electricity Sold - MWh	28,680,034
Revenue, Costs and Profits	**€'000**
Total Revenue	**€5,702,242**
Total Operating Costs	**€4,065,773**
EBITDI	€1,636,470
Net Profit	€1,007,684
Gross Margin - %	**29%**
Net Margin - %	**18%**

Key Finding 1: Generators recorded lower profits in FY2023

The net profit total was reduced by 16% from that observed in FY2022. Reporting generators recorded €1.01 billion net profit in FY2023. The wholesale gas prices were lower in FY2023, which resulted in lower fuel-related operating costs and lower SEM wholesale electricity prices leading to lower revenues earned by the generators overall. The global market trends in the gas industry usually affects the electricity market prices in SEM as Gas generators are the marginal fuel for most of the time periods in the SEM.

In FY2023, more generators (an additional 167 MW) were captured in the reporting framework. In FY2022, the volume of electricity sold was 33,423,671 MWh, the figure for FY2023 is 28,680,034 MWh. This is a drop of 14.2% or 4,743,637 MWh.

Interconnector flow figures were also analyzed for these years. In FY2022 there was a net export of 267,300 MWh, in FY2023 there was a net import of 4,122,800MWh, this is a change of 4,390,100 MWh. This change accounts for most of this drop in the volume of electricity sold in SEM. The increase in small-scale solar generation for commercial and domestic use may be having an impact here on reducing the volume of electricity sold also. Imports are also likely the primary driver of the reduced volume of electricity sold from gas generation in FY2023 in particular.

Key Finding 2: Profitability is highly influenced by the contribution of 'Other' Revenue sources

As part of the GFPR reporting framework, market participants provide information on market revenues, fuel and non-fuel operating costs, information related to depreciation, interest and impairments, and a category of Other Revenue sources. Within the reporting template, the Other Revenue is separated into four categories – revenue from DS3 System Services, Ancillary Services, Support Mechanisms, and a further category titled Other – essentially a miscellaneous category. An issue was identified in GFPR 2022 that a number of market participants included very large values in this Other category – some positive, and some negative values – and this was noted in the report. In GFPR 2023, this is seen again in the reported values.

The other revenue category reports total revenues of €1.1 billion. The same figure in 2022 was €1.66 billion. In this reporting year it is across a much wider cohort of participants.

The RAs have reviewed the submissions under this category and established that while the majority of the revenues do relate to SEM revenues, there is a proportion, where it is not clear that the revenues have been incurred or would be incurred by SEM consumers, or when such costs might arise. In the context of the wider review of the GFPR framework referred to above (see Exec. Summary), the RAs will consider how best to ensure that such reporting transparently and accurately reflects costs and revenues seen in the market.

Key finding 3: All renewables reported lower margins in FY2023, except for Battery Storage

5,068MW of installed renewable capacity (76% Wind & Solar capacity), which together produced 10.3TWh (85% generated by Wind & Solar generators), were covered under the FY2023 GFPR Framework. This group of renewable generators reported a decrease of 27% in their FY2023 net profit, compared to FY2022.

Wind/Solar has increased output by 420,348 MWh.The revenue from electricity markets decreased significantly for **Wind & Solar** generators, which was not offset by the increase under other revenue resulting in 26% lower net profit.

- The net profit of **Hydro** generators was almost halved in FY2023 due to 67% higher non-fuel operating costs.

- While the **Biomass & Waste** generators recorded lower operating costs, the 50% decrease in their revenue from electricity markets resulted in 36% lower net profit compared to FY2022.
- **Pumped Storage**, a net energy consumer, recorded higher non-fuel operating costs and depreciation leading to lower profits and margins.
- As opposed to a net energy generator in FY2022, **Battery Storage** was found to be a net energy consumer in FY2023. Even though **Battery Storage** generators reported slightly higher revenues for FY2023, their non-fuel operating costs were reduced resulting in a 24% increase in net profit compared to FY2022.

Key Finding 4: Gas generators reported lower profits at similar levels of net margin (in percentage terms) and have reduced volume of generation.

The revenue from CfDs, contract payments and RO payments increased 152% for **Gas** generators. The significant change is mainly due to the fact that in FY2022 and FY2021 the **Gas** generators had to return money they had earned in the electricity market as the market price frequently exceeded the agreed strike price and reported losses under this revenue category. Another reason is that the nature of power CfD hedges shifts between gain or loss positions depending on market prices versus traded prices in the financial period. The revenue from electricity markets and other revenue sources almost halved in FY2023 for **Gas** generators. The fuel operating costs decreased significantly for **Gas** generators in FY2023 following global wholesale gas price trends. In FY2022, two **Gas** generators wrote down assets by €67 million under impairment, but there are no impairments in FY2023. **These reasons resulted in lower net profits for Gas generators in general in FY2023 while maintaining net margin at 8%, similar to net margin in FY2022. It should be noted that the Clean Spark Spread (see Table 1.3.1) reflects a tightening of margins for gas generators over time.**

The volume of electricity sold for gas generators has reduced from 19,580717 MWh in FY2022 to 16,564,868 MWh in FY2023 which is a drop of 3,015,849 MWh. This reduction was seen in all but one of the reporting gas generators.

Key Finding 5: Coal generators reported negative margins again after two years of profit

The electricity generated by **Coal** generators in the SEM has been decreasing since the issuance of the first GFPR for FY2012. The continuing efforts to decarbonise the SEM electricity grid resulted in significantly reduced running, and resultant losses for **Coal** generators in FY2019 and FY2020. This trend changed in FY2021 and FY2022, the high energy price years of SEM in recent times, when electricity produced by **Coal** generators increased significantly, resulting in higher revenues and profits. In FY2023, the market trends have returned to the previous trend, mostly due to the lower gas prices and thus

reliance on **Coal** generators in the SEM has decreased as well. The Coal generators reported a loss of -32% net margin in FY2023

In terms of fuel source and volume of electricity sold combined figures for coal and oil for FY2022 are 4,030,723 MWh and this has reduced to 1,838,075 MWh in FY2023 (a drop of 2,192,648 MWh).

It must be noted that the only **Coal** unit in Northern Ireland was decommissioned in FY2023. There exists only one **Coal** unit in all-island at present which has an agreement with the TSO for emergency temporary generation. Under this agreement, the unit is not required to submit its generator financial performance and thus, the scope of future GFPR reports may not include **Coal** units.

TABLE OF CONTENTS

Tables included in main body of report

Figures included in main body of report

1. INTRODUCTION AND CONTEXT

1.1. PURPOSE

Following the decision papers in May 2012[1] and August 2019[2], as published by the SEM Committee on the reporting of generator financial performance in the SEM, licensed generation companies with a combined ownership capacity greater than or equal to 25MW are required to complete and return an annual financial performance reporting template after the end of their financial year. A copy of the template is shown in Appendix B.

This report examines the financial performance of such licensed generation companies in the SEM in the financial year 2023. Most generators in the SEM have their financial year-end in either September, December, or March. To accommodate this variance, the FY2023 report relates to the 12-month period up to September 2023 for generators with a September year-end, December 2023 for generators with December year-end and up to March 2024 for generators with a March financial year-end.

This publication can be read in conjunction with reports published by the Market Monitoring Unit (MMU) in order to fully understand market performance[3]. The purpose of this report is to enhance transparency in the SEM and help in understanding the revenues accruing to different categories of generators, while respecting individual generator commercial sensitivity by presenting aggregated information only.

Data from the following categories of **Fuel Sources**, in aggregated form, is included in this analysis:

- Wind & Solar
- Hydro
- Battery Storage
- Pumped Storage
- Gas
- Coal
- Biomass & Waste
- Distillate & Oil

This is the tenth report to be published following the SEM Committee's "*Decision Paper on Generator Financial Reporting in the SEM*. It follows a broadly similar structure to the previous nine reports which are published on the SEM Committee website[4]. However, some changes to the reporting were introduced in August 2019 following a consultation in June 2019, primarily to reflect the new SEM trading arrangements from 1 October 2018.

Although this report focuses on annual generator financial performance, it should be remembered that electricity generation involves significant and long-term capital investment, with upfront costs often repaid over decades. Therefore, annual variations in generator profitability (up or down) should be considered in that context**.** As markets respond to the energy transition and move to reduce carbon emissions, the generation mix will have an

[1]Decision paper SEM-12-027 in 2012 on Generator Financial Reporting in the SEM available here.
[2]Decision paper SEM/19/036 in 2019 on Updates to Generator Financial Performance Reporting Requirements (August 2019), available here.
[3]Information on the MMU can be found here and publications produced by the MMU can be accessed here.
[4] https://www.semcommittee.com/publications

impact on overall generation revenues. This will result in fluctuations in revenues for different generation types with some years being more profitable than others. For an explanation of some of the financial terms used in this report, please refer to Appendix A.

1.2. MARKET & COMMODITY PRICE CONTEXT

Figure 1.2.1 presents the monthly average all-island electricity demand from 2019-2023. The average monthly demand increased in FY2023 in all months, except for February, July and December, when compared to FY2022.

Figure 1.2.1: All-island monthly average electricity demand 2020-2023 (Source: System and Renewable Data Summary Report, EirGrid)

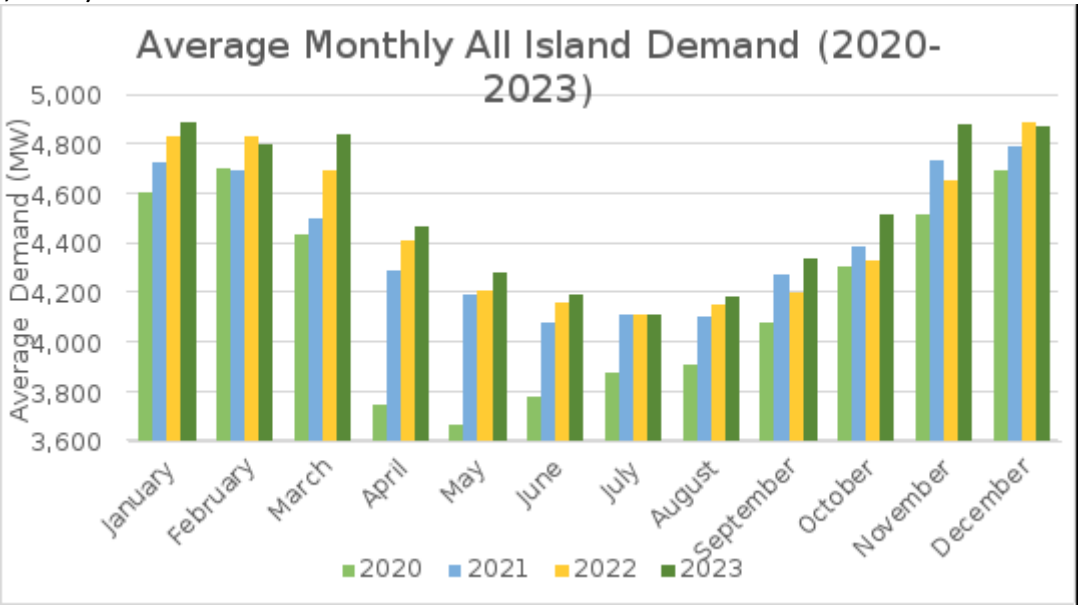


Figure 1.2.2 shows the evolution of the monthly average market prices in the SEM since 2013. The SEM wholesale electricity prices decreased significantly in FY2023 to €122/MWh from €226/MWh in FY2022, which was a result of decrease in gas and coal prices. The lowest monthly average wholesale electricity price occurred in December 2023 and highest monthly average wholesale electricity price occurred in January 2023.

The financial performance of generators in the SEM should be assessed in the context of the associated fuel prices, which are a key component of the costs of many generators. The price of fuel generally determines the wholesale market price and hence the revenues generators receive from the sale of electricity.

The trend in wholesale electricity prices in the SEM is in line with wholesale gas prices during this period. Wholesale electricity prices are set by the marginal generator, which is typically a gas-fired power plant. When the fuel cost of the marginal generator increases or decreases, the wholesale energy price is expected to increase or decrease correspondingly.

Gas has been the marginal fuel for much of the 2013-2023 period and consequently, electricity prices often follow the shape of the gas prices, as is evident from Figure 1.2.3. This was also the case during 2023, where the Day-ahead Market price followed the fluctuating trend of wholesale gas prices.

Figure 1.2.2: Wholesale electricity market prices 2013 - 2023

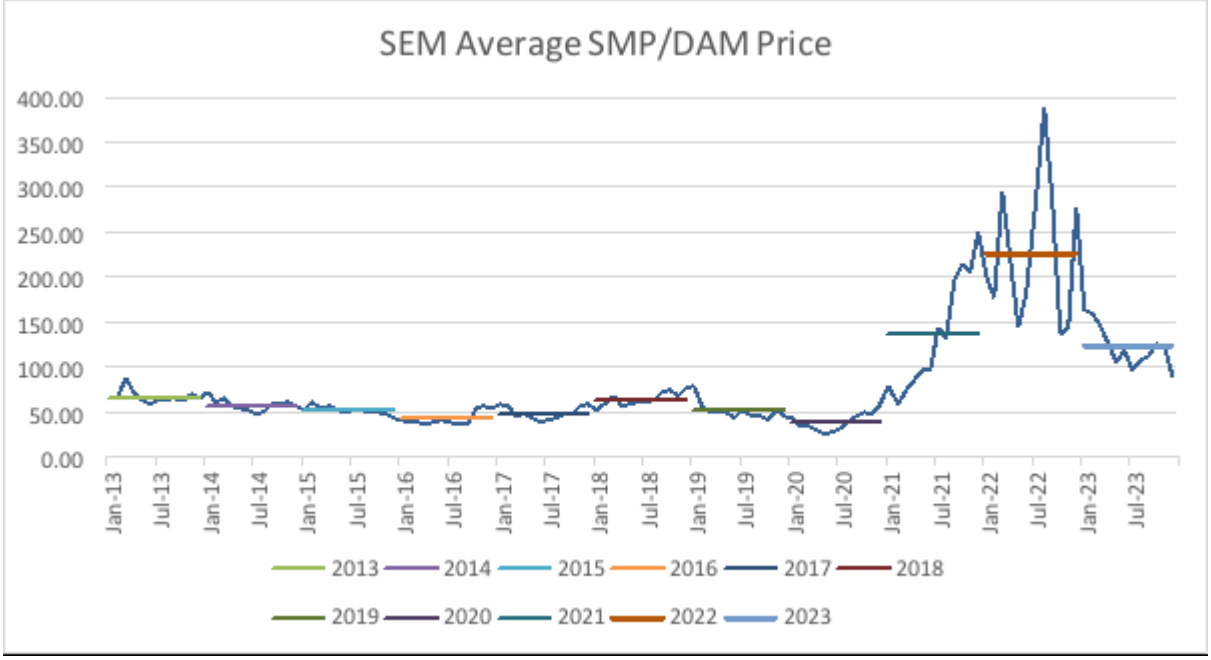


Figure 1.2.3: Comparison of electricity market prices with gas prices 2018 – 2023

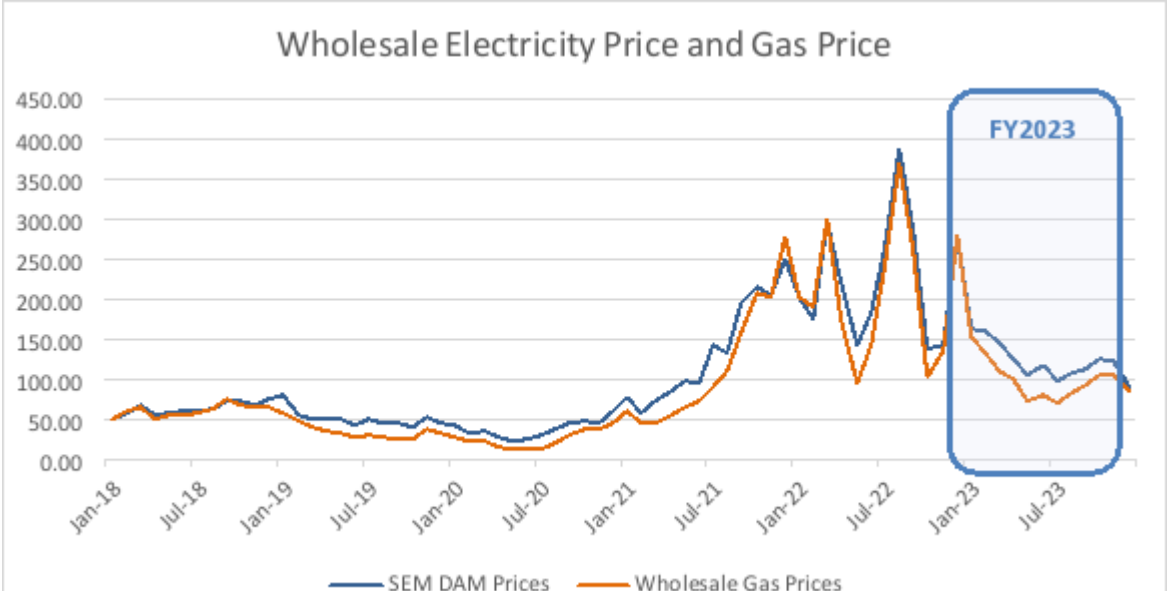


Figure 1.2.4: Commodity prices 2018 – 2023

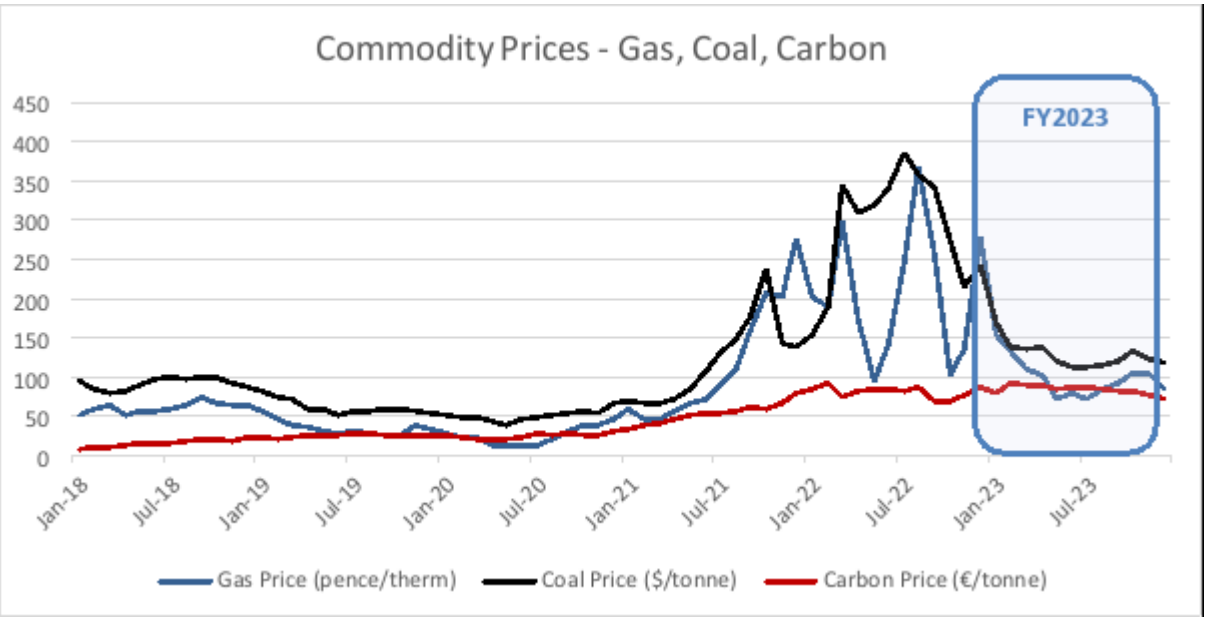


Figure 1.2.4 shows that **Coal** and **Gas** prices decreased significantly in FY2023, compared to FY2022. **Carbon** prices remained at similar levels in FY2023.

1.3. SPARK & DARK SPREADS

Spreads between electricity prices and fuel/input and carbon costs are of great significance to thermal generators. This section presents the following two spreads:

- **Clean Spark Spread:** The *spark spread* is the theoretical gross margin of a gas-fired power plant from selling a unit of electricity, having bought the fuel required to produce this unit of electricity, with an efficiency of 49.13%. In simple terms, the *spark spread* is the difference between the wholesale market price of electricity and the fuel cost of gas-fired generation.

  The *clean spark spread* (which is also known as the "*spark green spread*") takes the cost of carbon into account in addition to the fuel cost of gas-fired generation.

- **Clean Dark Spread**: The *dark spread* is the gross margin of a coal plant accounting for the coal input and an assumed efficiency level of 35%. In simple terms, the *dark spread* is the difference between the wholesale market price of electricity and the fuel cost of coal-fired generation.

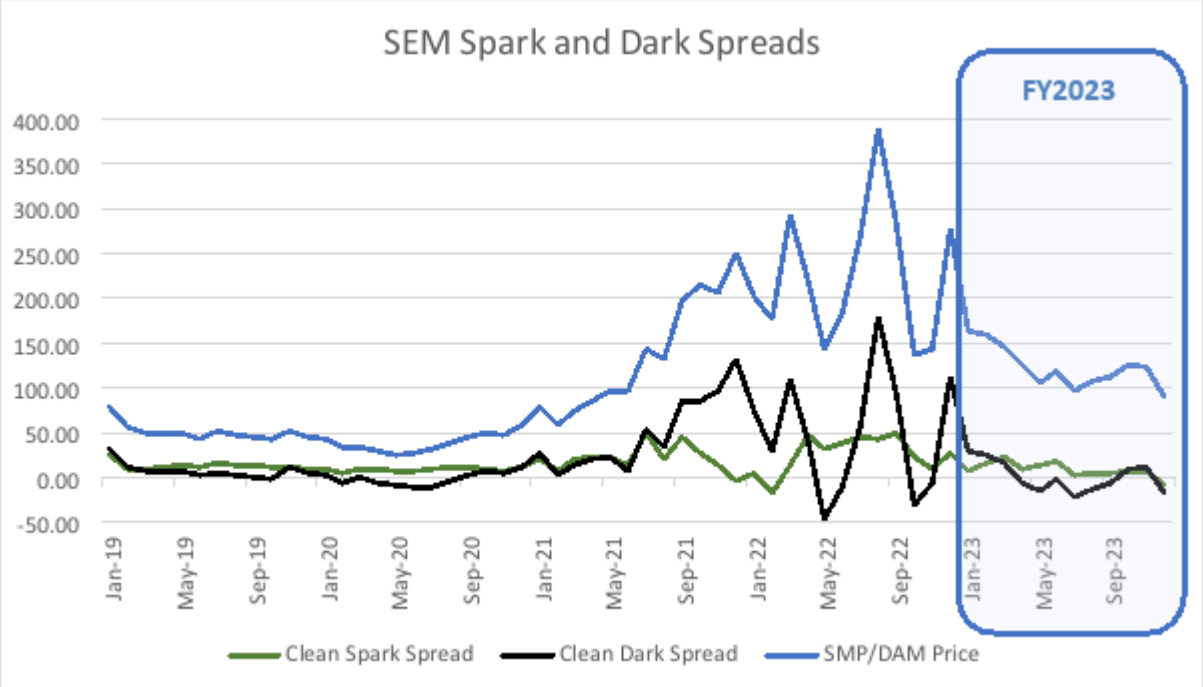
  The *clean dark spread* (which is also known as the "*dark green spread*") takes the cost of carbon into account in addition to the fuel cost of coal-fired generation.

These spreads are the theoretical gross income of a plant selling a unit of electricity. The plant must recover all its additional costs (e.g., operation, maintenance, capital) from this spread to be able to break even or earn a profit. When analyzing and comparing spreads, it is worth considering the following points:

- A negative spark spread means that the fuel costs of operating a gas generator are greater than the income it makes from selling electricity, so such a generator is operating at a loss.
- Higher/lower spreads do not necessarily translate into higher/lower generator profits. This is because the total revenue received from energy production depends on the level of utilization of the plant (i.e., the production volume). When the utilization level goes down, the generator is likely to require a higher spread in order to cover its fixed costs, start up and maintenance costs.
- The gross profit of each individual thermal generator is also related to the individual generator's specific efficiency level rather than the assumed standard mid-range generator efficiency level of 49.13% used in the aggregated analysis in this report.
- Capacity or fuel transportation costs have not been included in the calculation of the spark spreads in this report. This is consistent with the methodology used in common practice.

Figure 1.3.1 presents the Clean Spark Spread (for gas) and the Clean Dark Spread (for coal) in the SEM over the period 2014 to 2023.

Figure 1.3.1: Clean Spark and Clean Dark Spreads in the SEM from FY2019 - FY2023



2. FY2023 FINANCIAL PERFORMANCE & 2014-2023 TRENDS FOR ALL GENERATORS

In submissions made by some generators, the values of commodity and power hedges as well as derivative valuation movements are allocated to individual generators whereas others allocate these to distinct trading units, also reported to the RAs. The Regulatory Authorities (the RAs – the Commission for the Regulation of Utilities and the Utility Regulator) changed the Generator Financial Performance Reporting methodology to include the trading units of all generators to ensure that the revenues and profits are comparable across generators in FY2022. On the other hand, some generators hedge on portfolio basis under an umbrella trading unit that covers various generators that use different fuel sources. Before FY2021, the impact of different hedges was not very evident in the submissions made by the generators as the market prices were low, and revenues earned by generators tended to be reasonably stable over time. During the high wholesale electricity prices and commodity prices seen in FY2021 & FY2022, the effect of the power/fuel/commodity hedges on the profitability of the generators became more apparent.

For this version of the report, which is for FY2023, the RAs have decided to include the values of hedges/contracts that are attributed to trading units of relevant generation companies and not to individual generators. Such figures are included in "All Generators" figures (Section 2 of this Report), but not under the breakdown by fuel sources (Section 3 of this Report). Thus, the addition of figures in Section 3 for all fuel sources would not equal to "All Generators" figures.

2.1. FY2023 FINANCIAL PERFORMANCE TABLE FOR ALL GENERATORS

Table 2.1.1 presents the total FY2023 results, across all fuel sources. The RAs received Generator Financial Performance Reports from 11,927 MW capacity in FY2023. Total reported volumes of electricity sold by generators in SEM in FY2023 amounted to 28.7 TWh, a decrease of 14.2% (4.74 TWh) from the 33.4 TWh sold in FY2022. FY2023 was a net import year as opposed to a net export year FY2022.

The results for All Generators are presented across three columns, as shown below:

- total values,
- per MW of installed capacity,
- per MWh of electricity sold.

Table 2.1.1: FY2023 Financial performance table for All Generators

Financial Year 2023	Total	Per MW of installed capacity	Per MWh of electricity sold*
Installed Capacity - MW	11,927		
Volume of Electricity Sold - MWh	28,680,034		
(*excluding Pumped Storage)	31,605,071		
Revenue	**€'000**	**€'000/MW**	**€/MWh**
Revenue from Electricity Markets	€3,616,156	€303	€100
Revenue from Contract/Difference Payments	€684,878	€57	€22
Revenue from Capacity Market	€299,851	€25	€8
Other Revenue (System Services, Support, etc)	€1,101,358	€92	€33
Total Revenue	**€5,702,242**	**€478**	**€162**
Operating Costs	**€'000**	**€'000/MW**	**€/MWh**
Fuel Related Operating Costs	€2,944,165	€247	€83
Non-fuel Operating Costs	€1,121,608	€94	€31
Total Operating Costs	**€4,065,773**	**€341**	**€114**
Earnings	**€'000**	**€'000/MW**	**€/MWh**
EBITDI	€1,636,470	€137	€48
Depreciation & Impairment	€421,678	€35	€12
EBIT	**€1,214,792**	**€102**	**€36**
Interest & Tax	€207,108	€17	€6
Net Profit	€1,007,684	€84	€30
Gross Margin - %	**29%**	**29%**	**30%**
Net Margin - %	**18%**	**18%**	**18%**

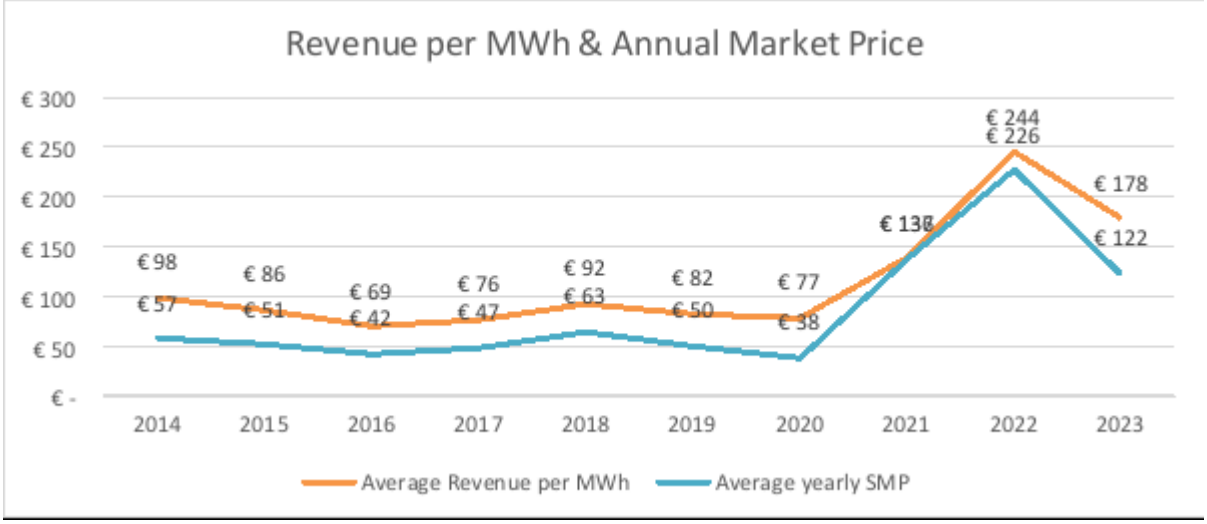
Note: Pumped Storage, as a net consumer of electricity, has been excluded from the per MWh analysis. This increases the figures for overall volume sold and resulting margins.

2.2. TOTAL REVENUES FOR ALL GENERATORS

Total reported revenue in FY2023 amounted to €5.7 billion, translating to revenues of €478,000/MW of installed capacity and €178/MWh of electricity sold (excluding Pumped Storage).

The generators have different sources to earn revenue from the market such as the wholesale electricity market, through contracts for difference and revenue from the capacity market. In general, market revenues are closely correlated with market prices as shown in Figure 2.2.1 below, where average revenue per MWh tracks average annual SMP/DAM prices. Average revenue in FY2023 was €178/MWh, (€244/MWh in FY2022) while average annual DAM price was €122/MWh in FY2023 (€226/MWh in FY2022).

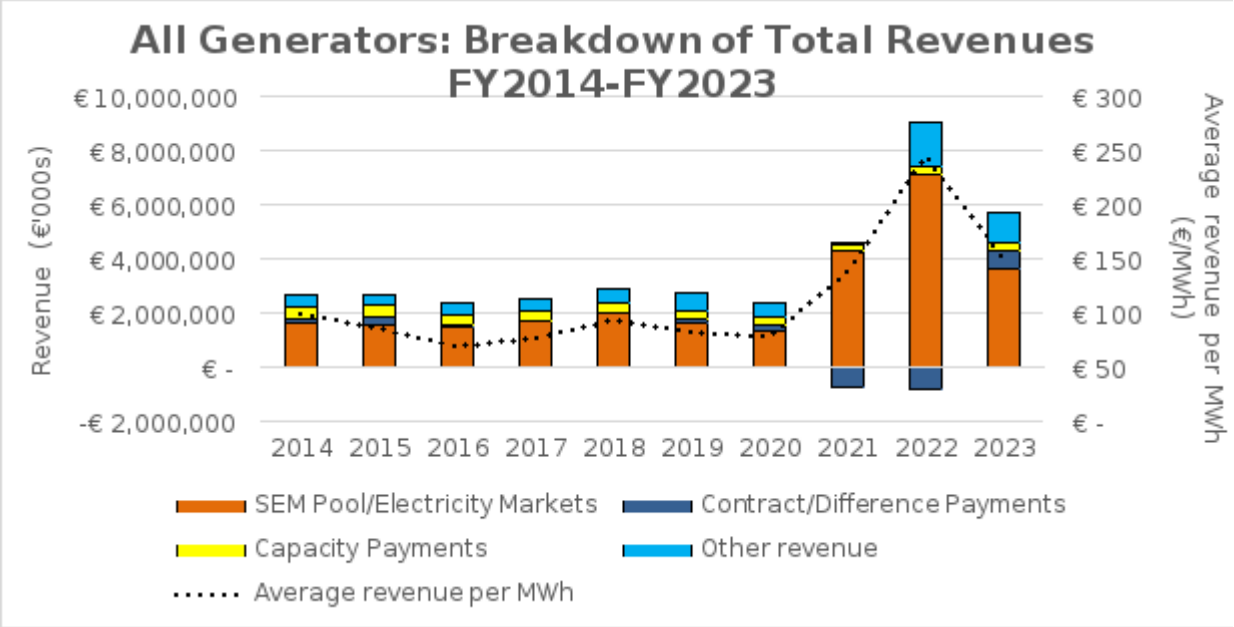
Figure 2.2.1: Average annual revenue and market prices in the SEM from FY2014 – FY2023

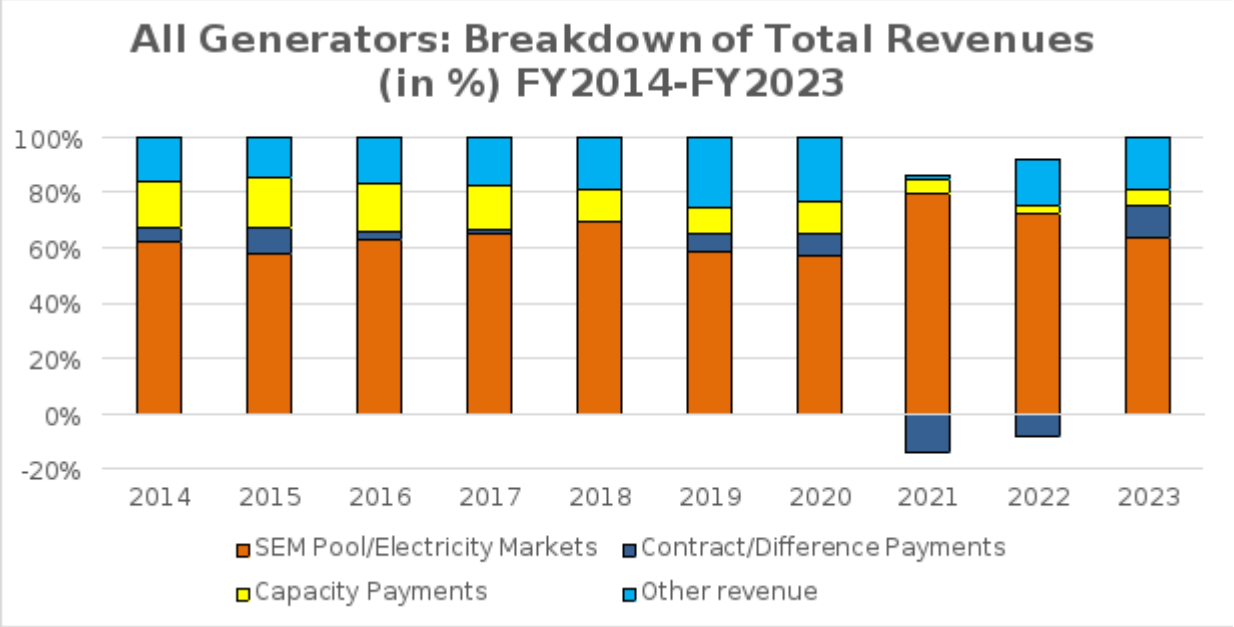


Within the financial reporting template, generators are asked to disaggregate revenue into four categories:

- Energy payments from Electricity Markets (Day-ahead Market, Intraday Market, and Balancing Market)[5].
- Contract/Difference Payments includes two revenue streams. Contract for Difference (CfD) & Contract payments where CfDs are bilateral agreements with renewable generators stipulating that the buyer will pay to the seller the difference between an agreed fixed price (the strike price) and a market reference price (the spot price), such that the holder of the CfD is guaranteed to receive the strike price for its energy. These can be either one-way or two-way contracts. Reliability Option (RO) Difference Charges incurred which refers to the difference between energy price and strike price that needs to be paid back by the capacities with a capacity contract.
- Capacity Payments from the Capacity Market.
- Other revenue (System Services, other support mechanisms, sale of assets, power hedges, etc.).

Figure 2.2.2: Breakdown of revenue for All Generators from FY2014-FY2023, in revenue and percentage terms





The revenue under Energy Payments category shown before 2018 is the revenue from SEM Pool, the market arrangements in place before transitioning to the revised SEM arrangements.

The trend in the breakdown of total revenue across all generators from 2014 to 2023 is shown in Figure 2.2.2, in both revenue and percentage terms. In actual terms, revenues from Electricity Markets decreased in FY2023, while revenues from Contract/Difference Payments increased in FY2023.

2.3. TOTAL COSTS FOR ALL GENERATORS

Total reported Fuel Related Operating Costs and Non-fuel Operating Costs in FY2023 amounted to €2.94 billion (€5.31 billion in 2022) and €1.12 billion (€1.08 billion in FY2022)

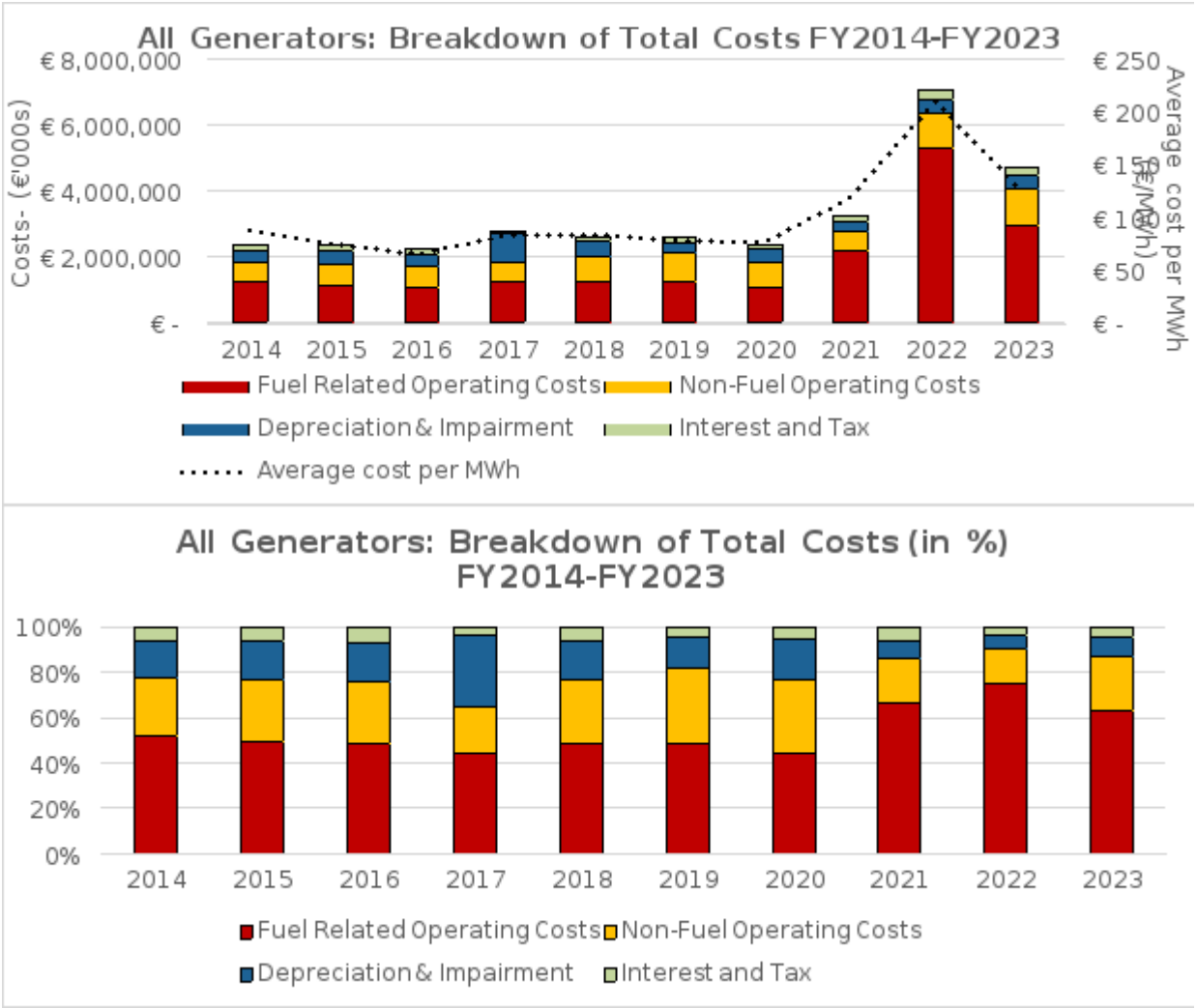
respectively. In FY2023, Depreciation & Impairment amounted to €422 million (€394 million in FY2022), and Interest & Tax were €207 million (€279 million in FY2022). In combination, this translated to costs of €341,000/MW of installed capacity and costs of €114/MWh of electricity sold (excluding Pumped Storage).

Within the financial reporting template, generators are asked to disaggregate costs into four categories:

- Fuel-Related Operating Costs
- Depreciation & Impairment
- Non-fuel Operating Costs
- Interest & Tax

A breakdown of costs across all generators is shown in Figure 2.3.1 below. In actual cost terms, the costs significantly decreased in FY2023 majorly due to decrease in Fuel Related Operating Costs which reduced from €5.31 billion in FY2022 to €2.94 billion in FY2023. The Fuel Related Operating Costs for **Gas** and **Distillate & Oil** (closure of Tarbert) generators were the major drivers of reduction in this cost area.

Figure 2.3.1: Breakdown of costs for All Generators from FY2014-FY2023, in revenue and percentage terms

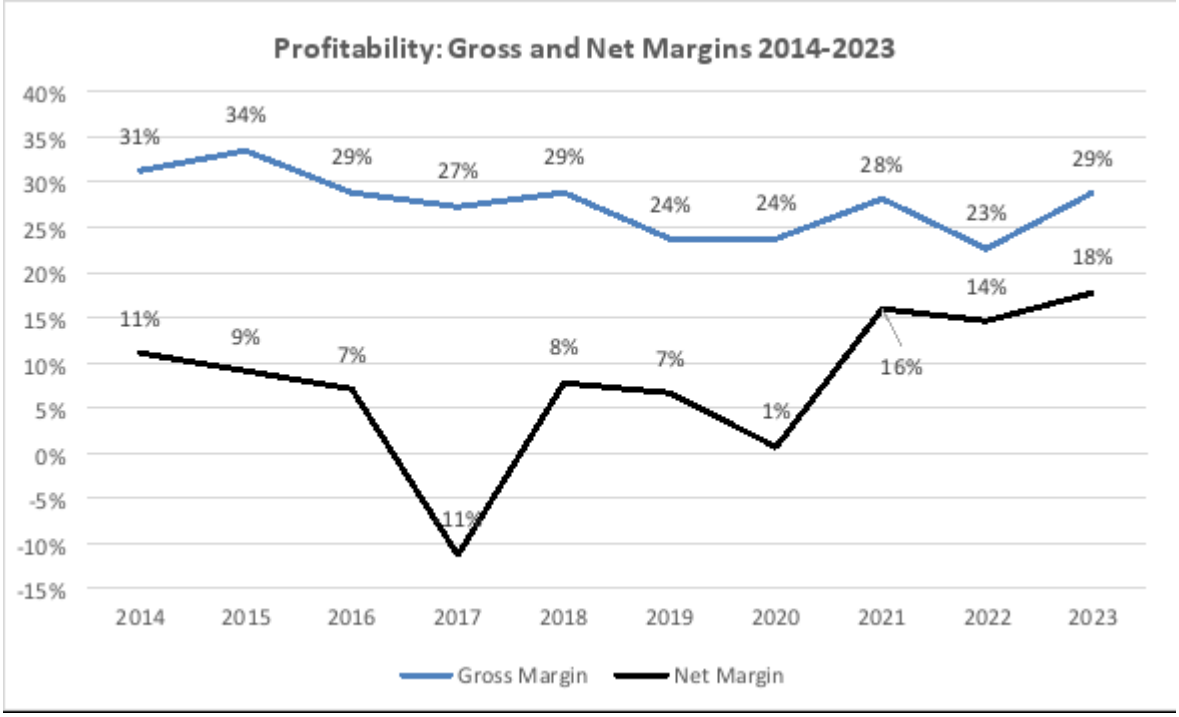


Fuel Related Operating Costs decreased in FY2020 when the market experienced low gas prices, which increased in FY2021 and in FY2022 following similar trends in the price movements of wholesale gas prices. The lower gas price has reduced the fuel cost for FY2023. The high impairment charges in 2017 have been partially offset by impairment reversals by generators in FY2021 and FY2022. There is an increase in impairment charges due to higher reported figures for gas generators in FY2023.

2.4. TOTAL PROFITABILITY FOR ALL GENERATORS

Figure 2.4.1 shows the trend of gross margins and net margins from FY2014 to FY2023. The gross margin increased to 29% and net margin increased to 18% in FY2023.

Figure 2.4.1: Profit margins for All Generators from FY2014 to FY2023



3. FY2023 FINANCIAL PERFORMANCE & 2014-2023 TRENDS BY GENERATION FUEL SOURCE

3.1. FY2023 FINANCIAL PERFORMANCE TABLES BY FUEL SOURCE

Generation from the following fuel sources, in aggregated form, Wind & Solar, Hydro, Battery Storage, Pumped Storage, Gas, Coal, Peat & Biomass and Distillate & Oil, is presented in this report.

In FY2019 a solar generator passed the 25MW threshold for reporting for the first time. Since then, there was only one solar generator to pass the threshold. To maintain confidentiality, the solar generator was classified in the same category as wind and the report therefore referred to a combined category of Wind & Solar for these years.

There is only one generator each in the SEM using biomass and waste as their fuel source. To maintain confidentiality these two generators have been combined in this report. Peat, a fuel source, which is no longer in use in the SEM also has been included under this category for previous years. Thus year-on-year comparisons for this category may not be optimal. The generator with fuel source Waste was not included in the FY2021 report, thus a significant change can be seen in revenues and costs under this category due to the addition of this generator in FY2022 figures.

The results aggregated by Fuel Source are presented across the following three tables as shown:

- Table 3.1.1 provides the total values for each fuel source in FY2023.
- Table 3.1.2 provides a breakdown of the results by fuel source per MW of installed capacity in FY2023.
- Table 3.1.3 provides a breakdown of the results by fuel source per MWh of electricity sold in FY2023.

Later subsections report on installed capacities, volumes, revenues, costs, and profitability across the different fuel sources, both in-year and via trends across 2014-2023.

Table 3.1.1: FY2023 Financial performance table by Fuel Source

Financial Year 2023	Total	Wind & Solar	Hydro	Storage	Gas	Coal	Biomass & Waste	Distillate & Oil	Pumped Storage
Volume of Electricity Sold - MWh	28,680,034	8,672,944	871,108	(5,249)	16,564,868	1,825,649	884,621	12,426	(146,333)
Installed Capacity - MW	11,927	3,871	217	499	4,776	1,205	190	877	292
Revenue	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
Revenue from Electricity Markets	€3,616,156	€717,372	€106,164	(€530)	€2,241,997	€402,371	€115,549	€6,505	€26,728
Revenue from Contract/Difference Payments	€684,878	€69,175	-	-	€277,054	-	€39,201	(€10)	-
Revenue from Capacity Market	€299,851	€217	€8,984	€600	€187,354	€50,566	€6,950	€34,753	€10,426
Other Revenue	€1,101,358	€297,042	€2,326	€77,483	€540,185	€4,901	€64,000	€14,719	€22,867
Total Revenue	**€5,702,242**	**€1,083,807**	**€117,473**	**€77,553**	**€3,246,590**	**€457,838**	**€225,700**	**€55,967**	**€60,021**
Operating Costs	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
Fuel Related Operating Costs	€2,944,165	€16,535	-	€318	€2,409,549	€474,314	€46,168	€5,574	-
Non-fuel Operating Costs	€1,121,608	€269,499	€51,564	€10,794	€454,216	€120,558	€69,275	€37,388	€15,626
Total Operating Costs	**€4,065,773**	**€286,034**	**€51,564**	**€11,112**	**€2,863,764**	**€594,872**	**€115,443**	**€42,962**	**€15,626**
Earnings	**€'000**	**€'000**	**€'000**	**€'001**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
EBITDI	€1,636,470	€797,773	€65,909	€66,441	€382,826	(€137,034)	€110,257	€13,005	€44,395
Depreciation & Impairment	€421,678	€250,554	€5,610	€17,084	€98,061	€2,876	€22,006	€8,784	€3,626
EBIT	**€1,214,792**	**€547,219**	**€60,299**	**€49,357**	**€284,765**	**(€139,910)**	**€88,251**	**€4,222**	**€40,769**
Interest & Tax	€207,108	€169,025	-	€8,762	€14,404	€5,210	€18,802	€157	-
Net Profit	€1,007,684	€378,194	€60,299	€40,595	€270,361	(€145,120)	€69,450	€4,065	€40,769
Gross Margin - %	**29%**	**74%**	**56%**	**86%**	**12%**	**-30%**	**49%**	**23%**	**74%**
Net Margin - %	**18%**	**35%**	**51%**	**52%**	**8%**	**-32%**	**31%**	**7%**	**68%**

NOTE: "€" indicates a positive value which is in the range 0 to + 0.5 €'000
"(€)" indicates a negative value which is in the range 0 to - 0.5 €'000
"-" indicates that no figure was reported for this breakdown category

Table 3.1.2: FY2023 Financial performance table by Fuel Source per MW of installed capacity in FY2023

Financial Year 2023 (per MW of Capacity Installed)	Total	Wind & Solar	Hydro	Storage	Gas	Coal	Biomass & Waste	Distillate & Oil	Pumped Storage
Installed Capacity - MW	**11,927**	**3,871**	**217**	**499**	**4,776**	**1,205**	**190**	**877**	**292**
Volume of Electricity Sold - MWh per MW installed	2,405	2,241	4,014	-11	3,468	1,515	4,656	14	-501
Revenue per MW	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**		**€'000/MW**
Revenue from Electricity Markets	€303	€185	€489	(€1)	€469	€334	€608	€7	€92
Revenue from Contract/Difference Payments	€57	€18	-	-	€58	-	€206	(€)	-
Revenue from Capacity Market	€25	€	€41	€1	€39	€42	€37	€40	€36
Other Revenue	€92	€77	€11	€155	€113	€4	€337	€17	€78
Total Revenue	**€478**	**€280**	**€541**	**€156**	**€680**	**€380**	**€1,188**	**€64**	**€206**
Operating Costs per MW	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**		**€'000/MW**
Fuel Related Operating Costs	€247	€4.27	-	€1	€504	€394	€243	€6	-
Non-fuel Operating Costs	€94	€70	€238	€22	€95	€100	€365	€43	€54
Total Operating Costs	**€341**	**€74**	**€238**	**€22**	**€600**	**€494**	**€608**	**€49**	**€54**
Earnings per MW	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**	**€'000/MW**		**€'000/MW**
EBITDI	€137	€206	€304	€133	€80	(€114)	€580	€15	€152
Depreciation & Impairment	€35	€65	€26	€34	€21	€2	€116	€10	€12
EBIT	**€102**	**€141**	**€278**	**€99**	**€60**	**(€116)**	**€464**	**€5**	**€140**
Interest & Tax	€17	€44	-	€18	€3	€4	€99	€	-
Net Profit per MW	€84	€98	€278	€81	€57	(€120)	€366	€5	€140
Gross Margin - %	**29%**	**74%**	**56%**	**86%**	**12%**	**-30%**	**49%**	**23%**	**74%**
Net Margin - %	**18%**	**35%**	**51%**	**52%**	**8%**	**-32%**	**31%**	**7%**	**68%**

NOTE: "€" indicates a positive value which is in the range 0/MW to+ 0.5/MW

"(€)" indicates a negative value which is in the range 0/MW to -0.5/MW

"-" indicates that no figure was reported for this breakdown category

In relation to Storage, as the MWh figure is a net figure across the sector for the year, this number is not reflective of actual output. The approach to reporting Storage will be assessed as part of the future GFPRs.

Table 3.1.3: FY2023 Financial performance table by Fuel Source per MWh of electricity sold in FY2023*

Financial Year 2023 (per MWh of electricity sold)	Total	Wind & Solar	Hydro	Storage	Gas	Coal	Biomass & Waste	Distillate & Oil
Volume of Electricity Sold - MWh	28,826,367	8,672,944	871,108	-5,249	16,564,658	1,825,649	884,621	12,721
Revenue per MWh	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**
Revenue from Electricity Markets	€109	€83	€122	€101	€135	€220	€131	€523
Revenue from Contract/Difference Payments	€24	€8	-	-	€17	-	€44	(€1)
Revenue from Capacity Markets	€9	€.03	€10	(€114)	€11	€28	€8	€2,797
Other Revenue	€36	€34	€3	(€14,761)	€33	€3	€72	€1,185
Total Revenue	€178	€125	€135	(€14,775)	€196	€251	€255	€4,504
Operating Costs per MWh	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**
Fuel Related Operating Costs	€91	€1.91	-	(€61)	€145	€260	€52	€449
Non-fuel Operating Costs	€35	€31	€59	(€2,056)	€27	€66	€78	€3009
Total Operating Costs	€125	€33	€59	(€2,117)	€172	€326	€130	€3,457
Earnings per MWh	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**	**€/MWh**
EBITDI	€53	€92	€76	(€12,658)	€23	(€75)	€125	€1,047
Depreciation & Impairment	€13	€29	€6	(€3,255)	€6	€2	€25	€707
EBIT	**€39**	**€63**	**€69**	**(€9,403)**	**€17**	**(€77)**	**€100**	**€340**
Interest & Tax	€7	€19	-	(€1,669)	€1	€3	€21	€13
Net Profit	€32	€44	€69	(€7,734)	€16	(€79)	€79	€327
Gross Margin - %	**30%**	**74%**	**56%**	**86%**	**12%**	**-30%**	**49%**	**23%**
Net Margin - %	**18%**	**35%**	**51%**	**52%**	**8%**	**-32%**	**31%**	**7%**

NOTE: *Pumped Storage, as a net consumer of electricity, is not included in the per MWh analysis. This increases the figure for total volume sold.

"€" indicates a positive value which is in the range 0/MWh to+ 0.5/MWh

"(€)" indicates a negative value which is in the range 0/MWh to -0.5/MWh

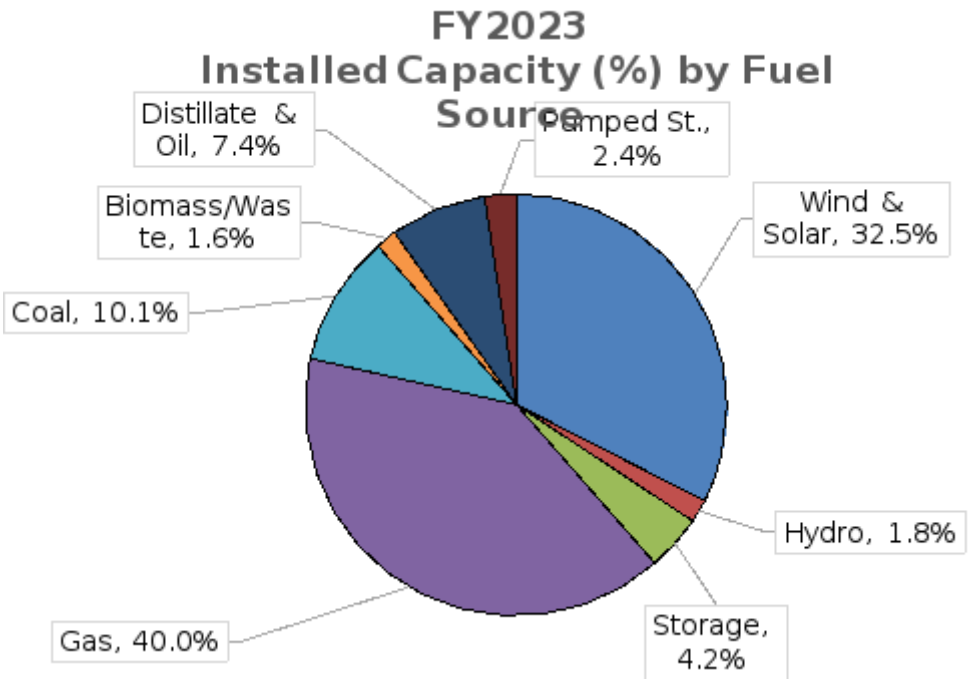
"-" indicates that no figure was reported for this breakdown category

3.2. INSTALLED CAPACITIES & VOLUMES SOLD BY FUEL SOURCE

Figure 3.1.1 presents installed capacity in FY2023, broken down by fuel source, for generation over the reporting threshold (>25MW). **Gas** at 40% and the combined category of **Wind & Solar** generation at 32.5 % together account for more than 70% of all installed capacity. **Coal** and **Distillate & Oil** at 10.1% and 7.4% constitute 17.5% of installed capacity.

As noted in the previous four Generator Financial Performance reports, wind continues to be under-reported. In FY2023, the total aggregate capacity of **Wind & Solar** generation reported was 3,871 MW but the total installed all-island capacity of wind generators was 6,095 MW in FY2023. The difference in the installed wind capacity likely results from the exemption from reporting for those generation companies where the capacity ownership of the company is less than 25MW in aggregate, as in previous years.

Figure 3.2.1 Breakdown of installed capacity (MW) by Fuel Source in FY2023.



Figures 3.2.2 and 3.2.3 below illustrate the changing positions of generators in the market over time in terms of percentage of electricity sold using different fuel sources. In FY2023, **Wind & Solar** sold 30% of total electricity volumes. Note that this excludes a significant proportion of electricity sold from installed wind and solar capacity due to the reporting limit of 25MW. The share of electricity sold by **Coal** plants decreased to 6% in FY2023 from 11.6% in FY2022 and 16% in FY2021. **Gas** has 57% of the market in terms of the volume of electricity sold.

Figure 3.2.2: Breakdown of volumes sold (MWh) by Fuel Source in FY2023

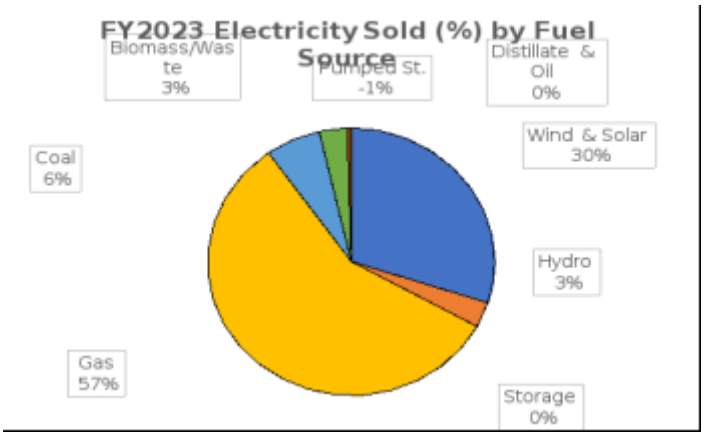
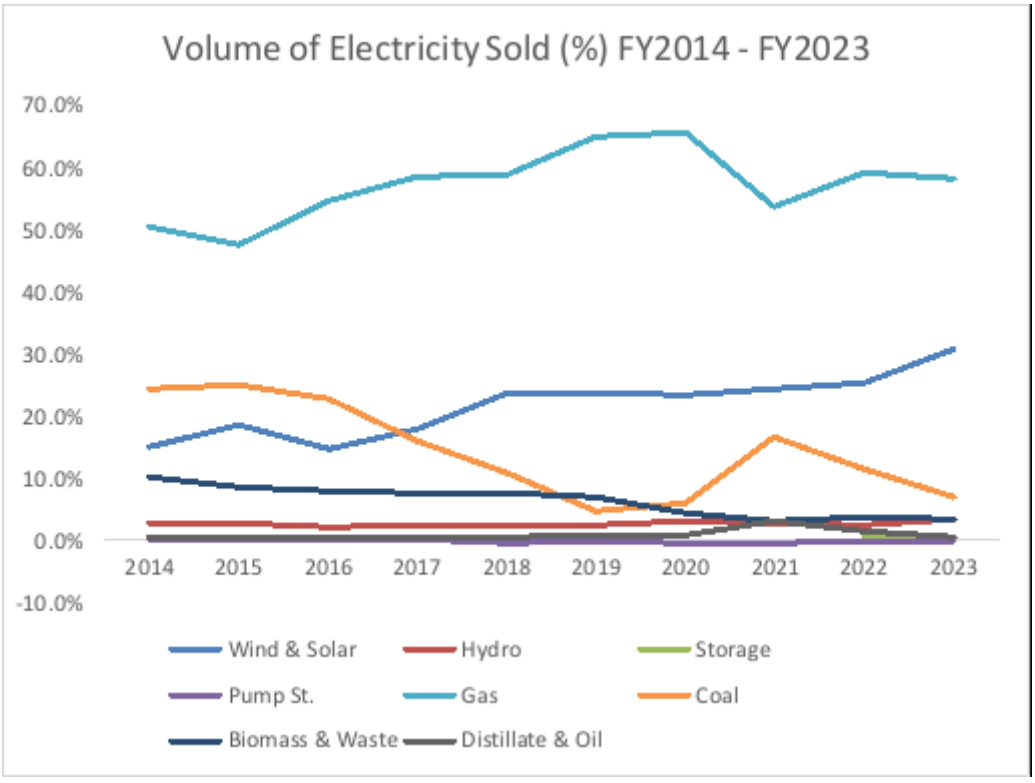


Figure 3.2.3: Electricity generation trends by Fuel Source from FY2014–FY2023



3.3. REVENUES BY FUEL SOURCE

Figure 3.3.1 shows the breakdown of total revenue by Fuel Source for FY2023. The share of total generation volumes for each fuel source and the total revenues for each fuel source are generally closely correlated. The share of **Gas** was 61% of total revenues received. The share

of **Coal** was 9% in FY2023 of total revenue. **Wind & Solar** generators received 20% of total revenues in FY2023.

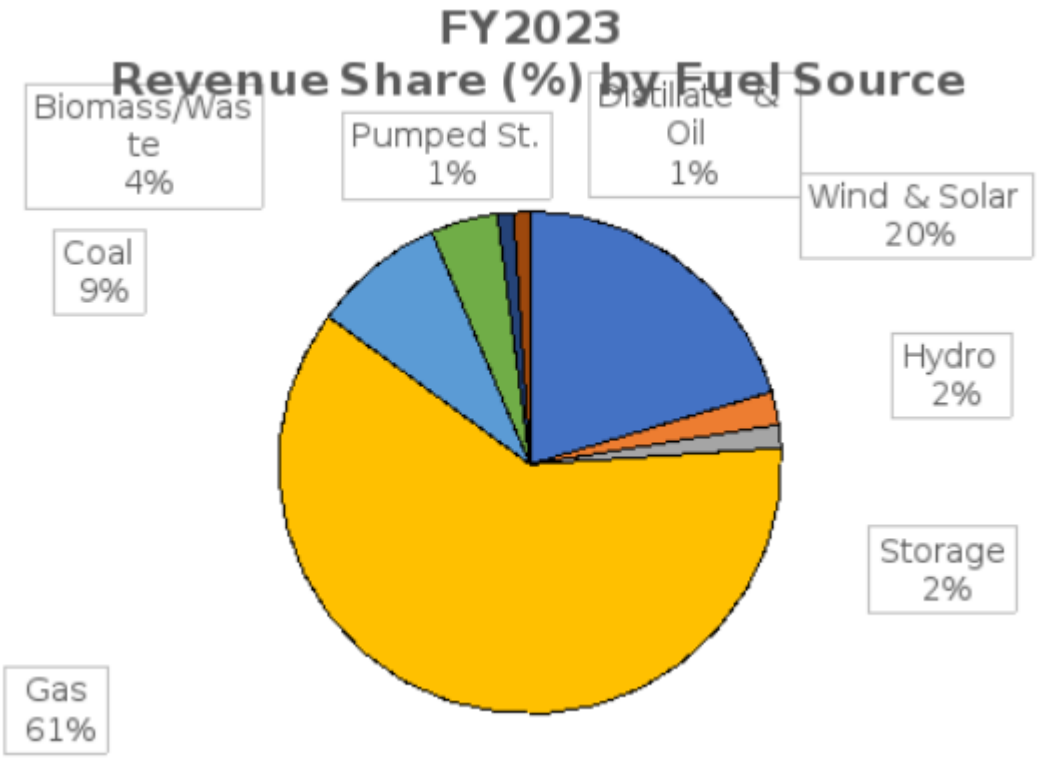


Figure 3.3.1: Breakdown of revenues by Fuel Source in FY2023

Decreasing average wholesale energy prices in FY2023 (€122/MWh) have in part led to decreased average total revenues of €178/MWh of electricity sold as shown in Table 3.3.1, which presents the trend in average revenue per MWh of electricity sold from 2014-2023. Average revenues per MWh of electricity sold decreased for all generators.

Figure 3.3.2 displays the change in actual total revenue by fuel source and shows that all generators earned lower revenues in FY2023 compared to FY2022. A stark decrease is observed in the revenues earned by **Gas** generators when compared to FY2022, which is caused by a decrease of 2 billion euros in electricity market revenue. A major part of the revenues for **Wind & Solar** generators is from the support mechanisms.

Table 3.3.1: Revenue per MWh of electricity sold by Fuel Source from FY2014 - FY2023

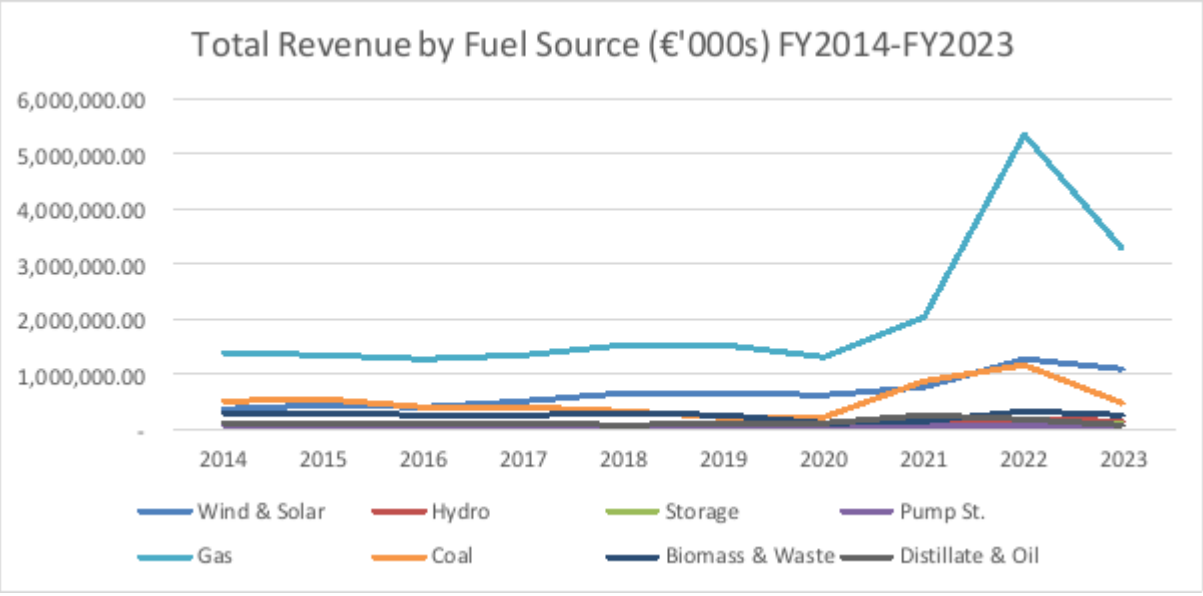
Revenue per MWh of Electricity Sold	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Wind & Solar	€85	€73	€76	€80	€88	€82	€83	€111	€150	€125
Hydro	€90	€72	€57	€64	€84	€68	€58	€150	€231	€135
Storage									€3,280	(€14,775)
Gas	€100	€90	€68	€68	€82	€72	€64	€138	€273	€196
Coal	€78	€67	€49	€74	€133	€133	€116	€193	€304	€251
Peat & Biomass & Waste	€106	€108	€97	€105	€124	€121	€81	€166	€277	€255
Distillate & Oil	€3,206	€1,384	€1,220	€1,703	€935	€607	€785	€356	€586	€4,504
Total	**€98**	**€86**	**€69**	**€76**	**€91**	**€82**	**€77**	**€137**	**€244**	**€178**
Average Wholesale Electricity Price	**€57**	**€51**	**€42**	**€47**	**€63**	**€50**	**€38**	**€136**	**€226**	**€122**

Note: Pumped Storage as a fuel source has been excluded from this table as it reports *negative* net electricity generation figures (electricity generated minus electricity used to pump water). However, the figure for Total Revenue per MWh of Electricity Sold includes revenue and volumes from Pumped Storage.

Storage: Minus €14,761/MWh is from other revenue. Distillate and Oil: €1185/MWh from other revenue and €2797/MWh from capacity markets. Storage and Distillate/oil are very small parts of the generation for FY2023.

Figure 3.3.2: Revenue trends by Fuel Source from FY2014 – FY2023

Note: No solar generator passed the 25MW threshold for inclusion in the aggregated data before FY2019.



As shown in Figure 3.3.3, the main source of revenue across different fuel sources in FY2023 was through Electricity Markets, except for **Battery Storage** units for which around 99% of

revenue was generated through DS3 system services and for **Distillate & Oil** units for which around 62% of revenue was generated through capacity markets.

Figure 3.3.3: Sources of revenue as % of total by Fuel Source in FY2023

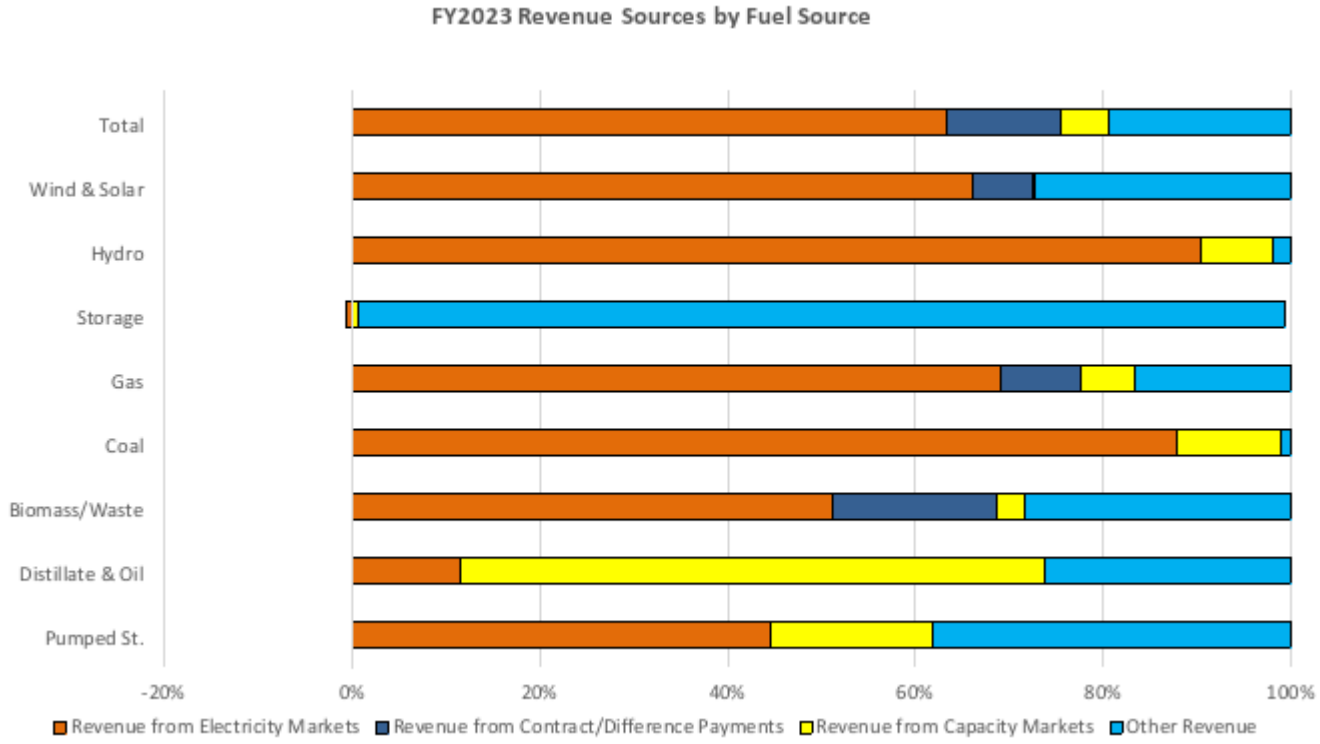
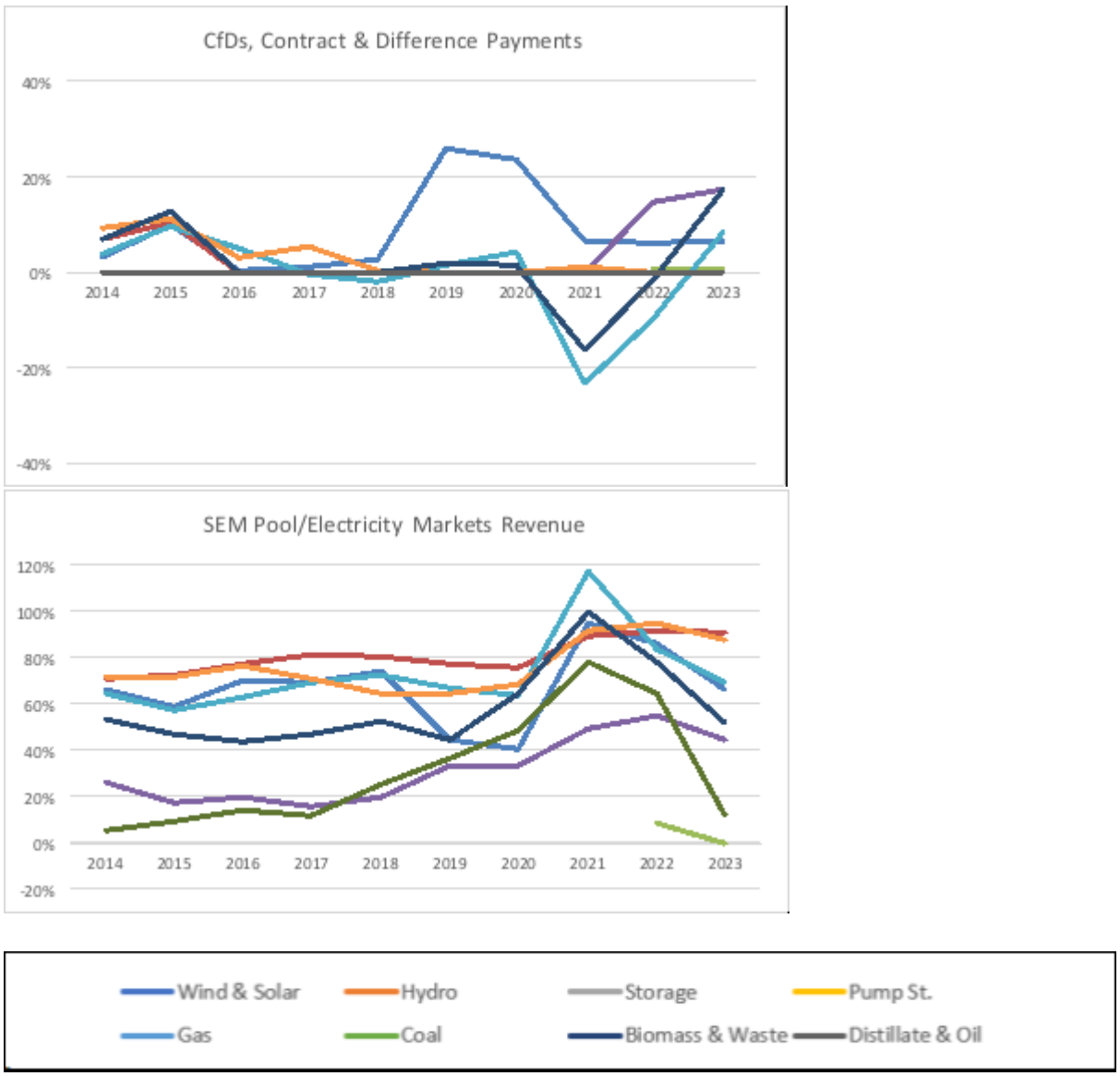
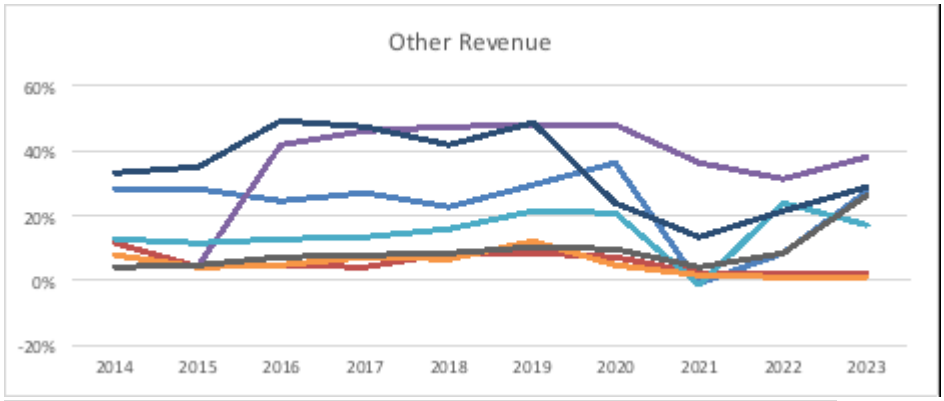
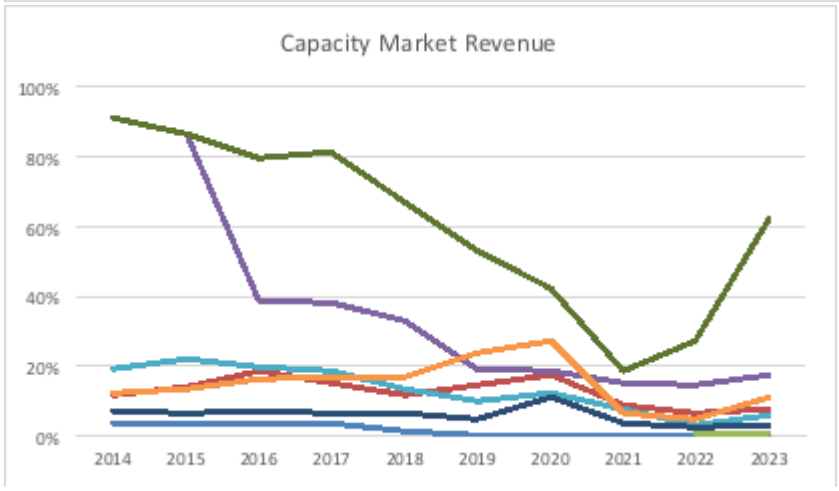


Figure 3.3.4 provides a percentage breakdown of generator revenue by fuel source between FY2014 and FY2023. The relative contribution of each revenue stream can substantially vary in importance over time. The share of revenue arising from Electricity Markets decreased for all fuel sources from 86% in FY2022 to 63% in FY2023. The revenue shares from other sources decreased for **Gas** and increased for **Distillate & Oil** and **Wind & Solar** generators.

Figure 3.3.4: Percentage of Total Revenue by Fuel Source from FY2013 - FY2023







Graphs illustrating the trends from 2014 to 2023 in the breakdowns of the revenues of each of the fuel categories of generation (Wind & Solar, Hydro, Storage, Gas, Coal, Biomass & Waste, Distillate & Oil and Pumped Storage) are presented in Appendix C.

3.4. COSTS BY GENERATION FUEL SOURCE

Figures 3.4.1 and 3.4.2 present categories of generator costs grouped by fuel source. Overall, Fuel Related Operating Costs represent 63% in FY2023 (75% of total costs for FY2022 and 65% in FY2021). Non-fuel Operating Costs are the second largest contributor to total generator costs with a share of 24% in FY2023 (15% in FY2022). Depreciation and Impairment costs account for 9% (5% in FY2022) and Interest and Tax account for the remainder of costs (4%).

The relative share of cost categories differs considerably between generators using different fuel sources. Renewable electricity sources (**Wind & Solar**, **Hydro, Battery Storage** and

Pumped Storage) have negligible or no Fuel Related Operating Costs. **Wind & Solar** and **Battery Storage** generators have relatively high capital costs, which is reflected in higher proportions of 'Interest & Tax' and 'Depreciation & Impairment' costs, whereas the majority of **Hydro, Biomass & Waste, Distillate & Oil** and **Pumped Storage** generator costs are accounted for by 'Non-fuel Operating Costs'. In contrast, the largest contribution to total costs for **Gas** and **Coal** generators is from 'Fuel related Operating Costs'.

Figure 3.4.1: Source of generator costs as % of total by Fuel Source in FY2023

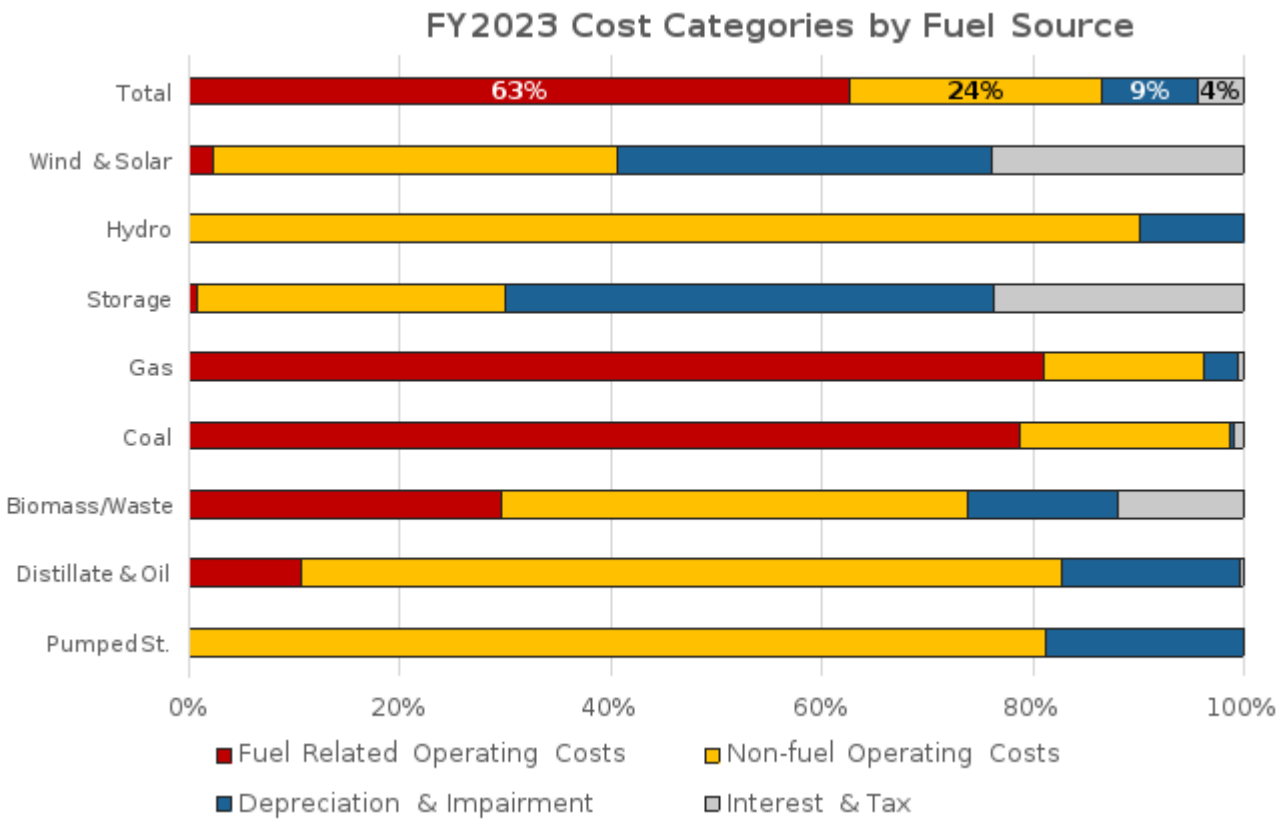
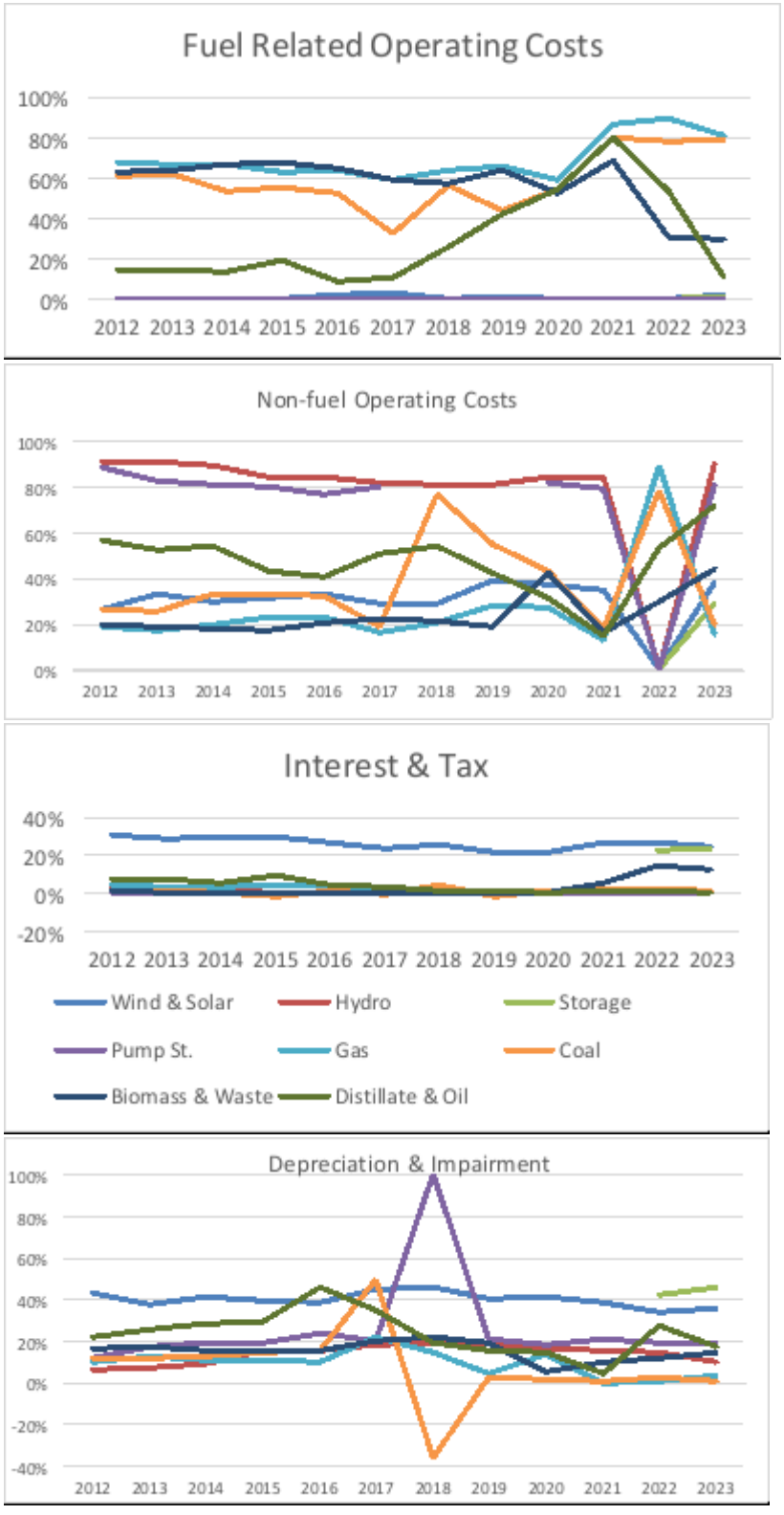


Figure 3.4.2 below provides a percentage breakdown of generator cost categories by Fuel Source between FY2014 and FY2023. Fuel Related Operating Costs for renewable generators are near zero across the entire reporting period. Non-fuel operating costs account for above 80% of costs for **Hydro** and **Pumped Storage** generators and under 40% for most other fuel sources, except **Biomass & Waste** and **Distillate & Oil** generators. **Coal** generators have suffered the greatest fluctuations in costs across the reporting period with sharp increases and decreases across Fuel related Operating Costs, Non-fuel related Operating Costs and Depreciation & Impairment. Depreciation & Impairment and Interest & Tax account for a large share of **Wind & Solar** costs, reflecting the high capital requirements of such renewable

generation. The share of Fuel Related Operating Costs of **Distillate & Oil** generators has fallen substantially since 2021.

Figure 3.4.2: Percentage breakdown of costs categories by Fuel Source from FY2014 - FY2023



Graphs illustrating the trends from 2014 to 2023 in the breakdowns of costs of each of the fuel categories of generation (Wind & Solar, Hydro, Storage, Gas, Coal, Biomass & Waste, Distillate & Oil and Pumped Storage) are presented in Appendix C.

3.5. PROFITABILITY BY FUEL SOURCE

The total average gross and net margins for FY2023 were 29% and 18% respectively and were 23% and 14% respectively in FY2022. Table 3.1.1 shows how these margins varied by fuel source in FY2023. Figures 3.5.1 and 3.5.2 illustrate the trends in gross and net margins by fuel source across FY2014 – FY2023.

- **Pumped Storage** reported 86% gross margin and 52 % net margin although their revenue accounted only 1% of total revenue across all generators. **Hydro** generation recorded 56% gross margin and 51% net margin with a revenue share of 2% across all generators. Both **Pumped Storage** and **Hydro** plants benefit from very low operating costs and low financing costs due to their age.
- **Wind & Solar** generation were at 74% gross margin and 35% net margin in FY2023. High gross margins for wind generators are driven by low Fuel Related Operating Costs. Net margin for Wind & Solar generation decreased in FY2023 compared to FY2022 when **Wind & Solar** generators earned high revenues from electricity markets and from support mechanisms.
- **Storage** units reported a gross margin of 86% and net margin of 52% in FY2023. This is the second time **Storage** units are included in the Generator Financial Performance Report.
- In FY2023, **Biomass & Waste** generators gained profits with gross margin of 49% and net margin of 31%.
- **Coal** units reported losses in their submissions in FY2019 and FY2020. These generators managed to recover their costs in FY2021 and FY2022 when gas prices

were high and the system was facing security of supply issues. In FY2023, **Coal** units reported losses again at -30% gross margin and -32% net margin. It must be noted that the only **Coal** unit in Northern Ireland has been decommissioned in FY2023. There exists only one **Coal** unit in all-island at present, and thus in future reporting this generator will be included in other fuel source category to maintain confidentiality.

- The gross margin for **Distillate & Oil** generators decreased in FY2023 to 23% (from 28% in FY2022) and net margin increased from -1% in FY2022 to 7% in FY2023. All the cost figures and revenue figures have decreased in this category, due to closure of **Tarbert** in Ireland by the end of FY2023.
- Wholesale energy prices in the SEM frequently correlate to a large extent with gas prices (refer to Figure 1.2.2). The **Gas** generators earned 38% lower in Net Profits, though their gross margin was higher at 12% (from 9% in FY2022) and net margin remained at similar levels at 8%.

Figure 3.5.1: Gross margins by Fuel Source for FY2014 - FY2023

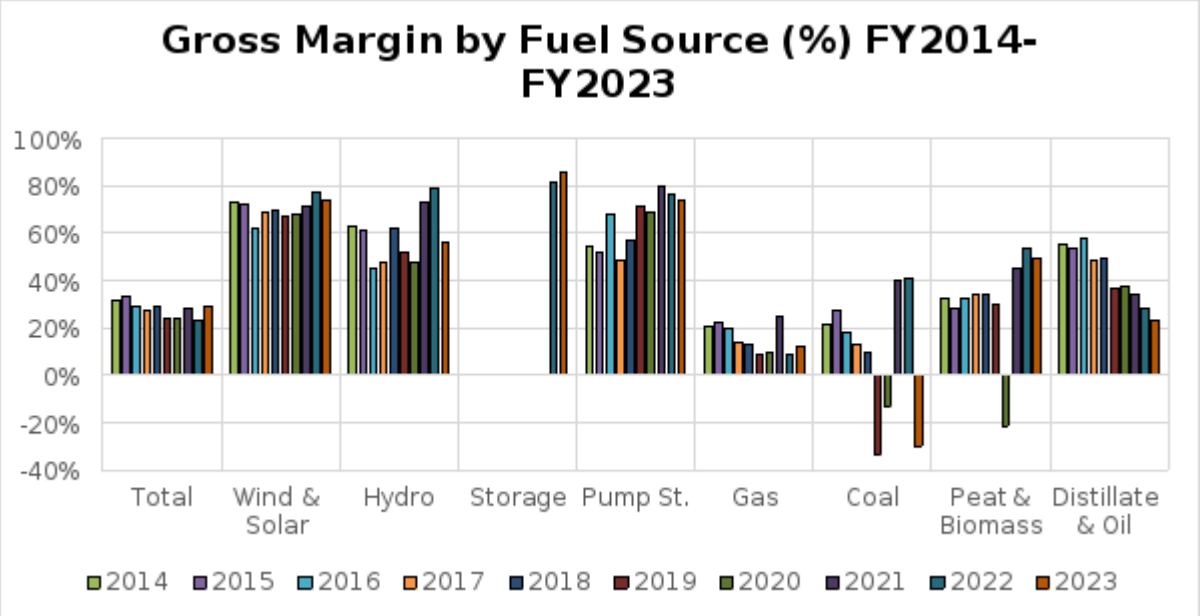
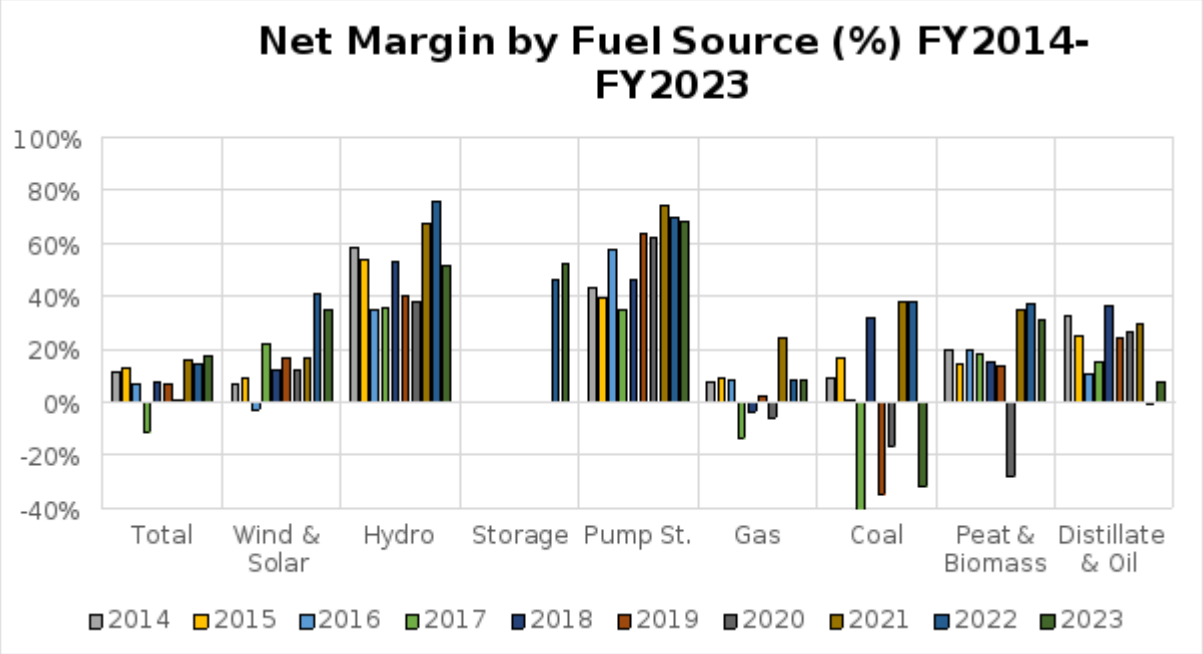


Figure 3.5.2: Net margins by Fuel Source from FY2014 - FY2023



Note: The negative margin for Coal in FY2016 was -73%.

APPENDIX A FINANCIAL TERMS

Appendix A provides brief explanations of financial terms and abbreviations that relate to the context and scope of this report.

Term	**Explanation**
Amortization	The process of writing down the value of either a loan or an intangible asset.
Depreciation	A method of allocating the cost of an asset over its useful life. It reflects the decrease in the value of the asset over time due to wear and tear.
EBIT	Earnings before interest and tax is the gross profit minus depreciation & impairment.
EBITDI/EBITDA	Earnings before interest, tax, depreciation, and impairment/ amortization is the gross profit minus the operating costs minus depreciation and minus impairment/amortization.
Gross Profit	The total generator revenue received from all sources minus the fuel and non-fuel operating costs.
Gross Margin	Gross profit expressed as a percentage of total revenue.
Impairment	Reflects a substantial reduction in the estimated value of the asset. For a non-current asset, it is included under expenses when the book value exceeds the future cash flow or benefit of the asset. For an intangible asset, it is included under expenses when the asset is deemed less valuable than is stated on the balance sheet after amortization.
Net Profit	The gross profit minus semi-fixed and fixed costs such as depreciation, impairment, interest, and tax.
Net Margin	Net profit expressed as a percentage of total revenue.

APPENDIX B REPORTING TEMPLATE FY2023

The following template was used to gather information from individual generators. More detailed explanations of the constituent breakdown elements of: a) revenue; and b) cost, can be found in SEM/19/036 "*Updates to Generator Financial Performance Reporting Requirements*".

Figure B.2: Financial reporting template for FY2023 data collection

Ref.	Information Requested (Refer to Appendix A of SEM-19-036 for explanation of fields)	Complete in either Euro or Sterling as appropriate	Explanatory Information (as appropriate)
1	Name of generation asset owner		
2	Company making this submission		
3	Name of Generation Site		
4	Name of Generation Unit		
5	GU Code		
6	Technology Class		
7	Name of the Government Renewable Support Scheme, if applicable		
8	Name of PPA Counterparty, if applicable		
9	Fuel Source		
10	EIC **W** Code of the generation **Unit**		
11	Capacity (**MW**) of the Generation Unit		
12	Firm Access Quantity (**MW**)		
13	Financial Year	FY2023	
14	End-Month of Generator's financial year-end		
15	Total Volume of Electricity Sold, consisting of:		
16	*Day Ahead - MWh*		
17	*Intra Day - MWh*		
18	*Balancing Market - MWh*		
19	Currency		
20	Revenue from Electricity Markets, consisting of:		
21	*Net Energy Payments*		
22	*> Day Ahead*		
23	*> Intra Day*		
24	*> Balancing Market*		
25	*Net Constraints Payments*		
26	Revenue from CfDs and Contracts		
27	Revenue from Capacity Payments		
28	Reliability Option Difference Charges		
29	Total of Other Revenue, made up of:		
30	> Revenue from DS3 System Services		
31	> Revenue from Ancillary Services		
32	> Revenue from Support Mechanisms		
33	> Other Revenue Sources		
34	Total Revenue		
35	Fuel Related Operating Costs		
36	Non-fuel Operating Costs		
37	Total Operating Costs		

38	EBITDI			
39	Depreciation			
40	Impairment			
41	EBIT			
42	Interest & Tax			
43	Net Profit			
44	Gross Margin			
45	Net Margin			

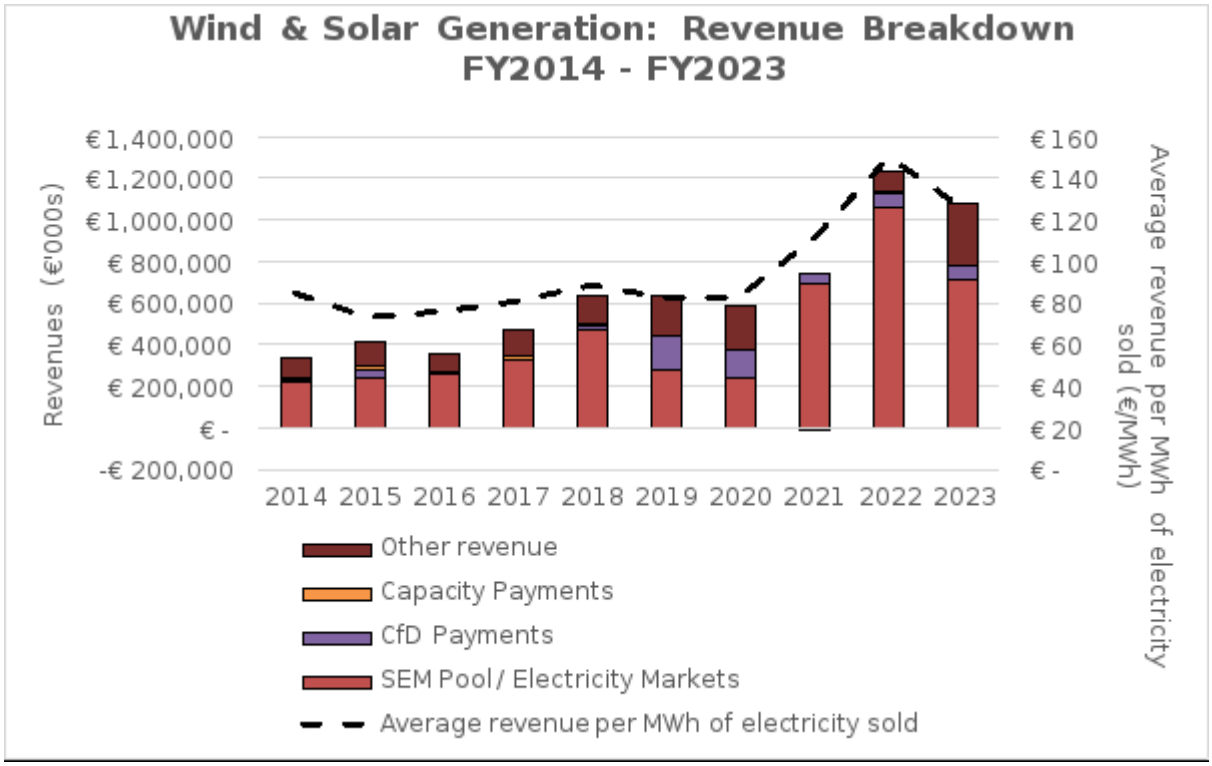
APPENDIX C REVENUE AND COST DETAIL FROM 2014-2023 BY GENERATION FUEL SOURCE

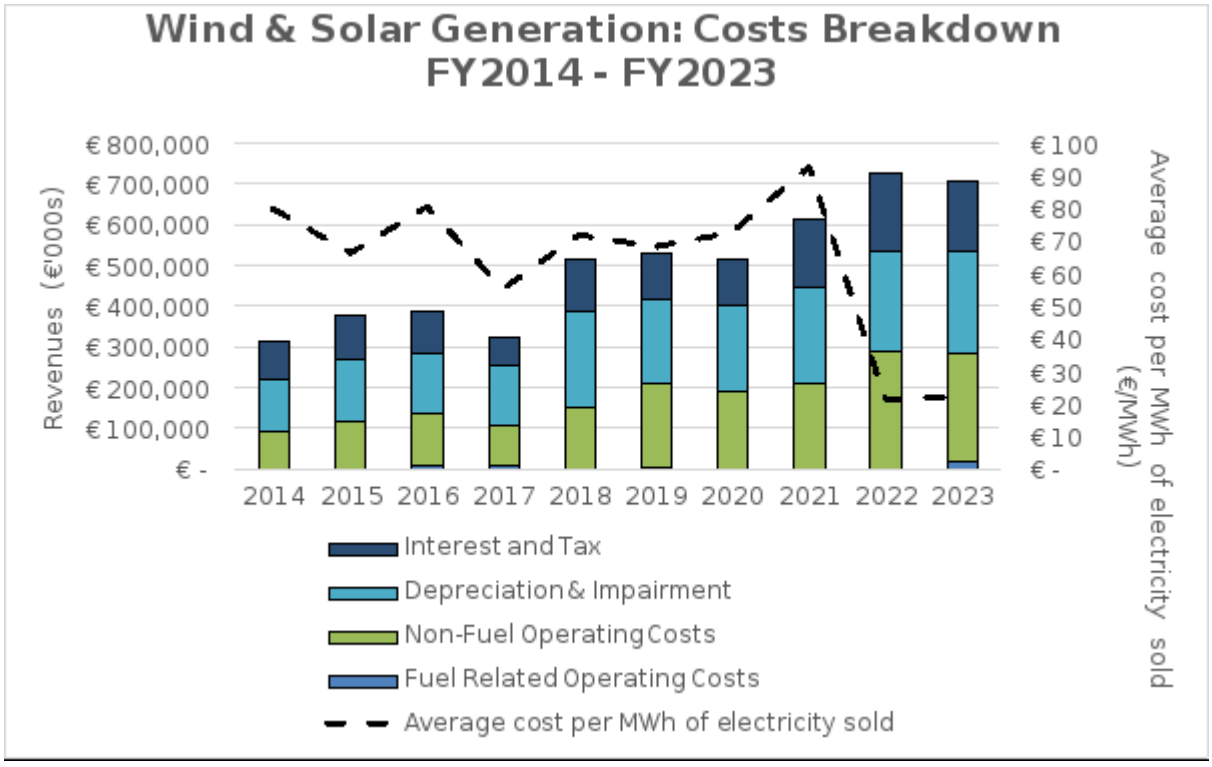
This section presents revenue and costs breakdown FY2014 to FY2023 for each generation fuel as follows:

i. Wind & Solar
ii. Hydro
iii. Gas
iv. Coal
v. Biomass & Waste (includes Peat generators till 2021, no generator with fuel source waste was included in 2021)
vi. Distillate & Oil
vii. Pumped Storage
viii. Battery Storage

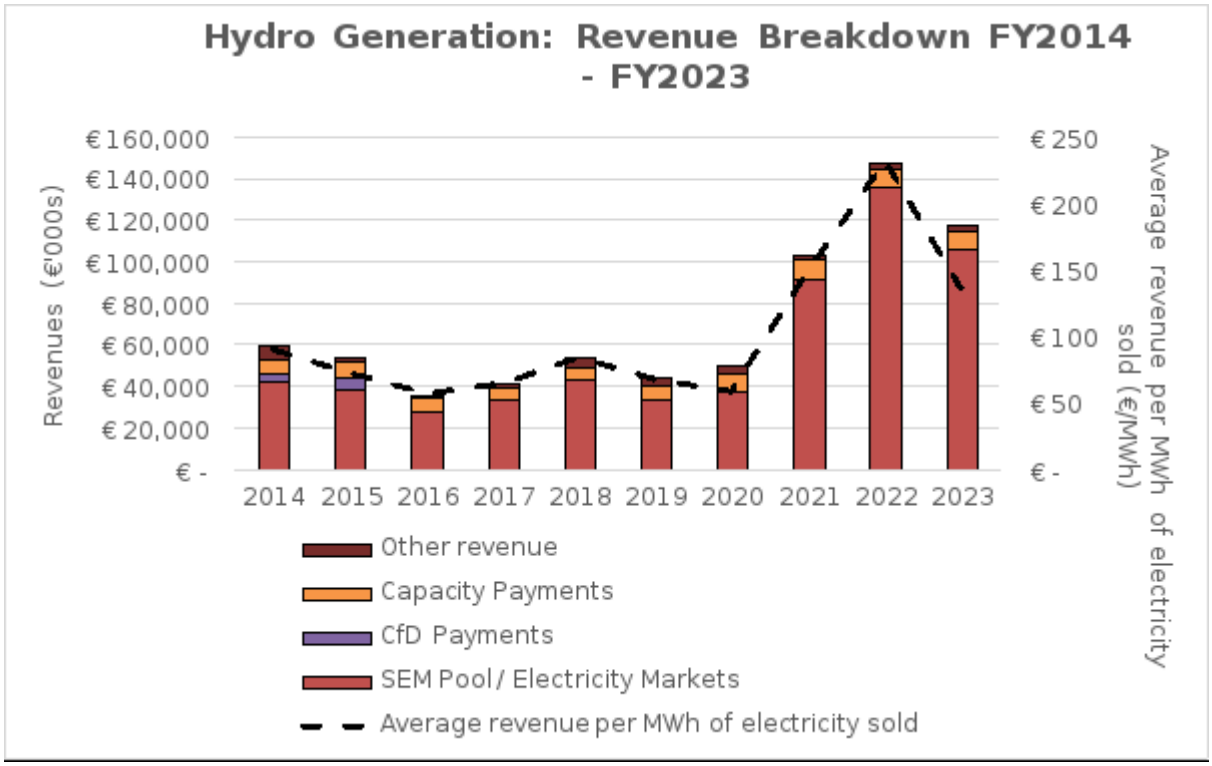
In each of the revenue breakdown charts, the average revenue per MWh of electricity sold within that category is plotted. Similarly, in each cost breakdown chart, the average costs per MWh of electricity sold within that category is plotted.

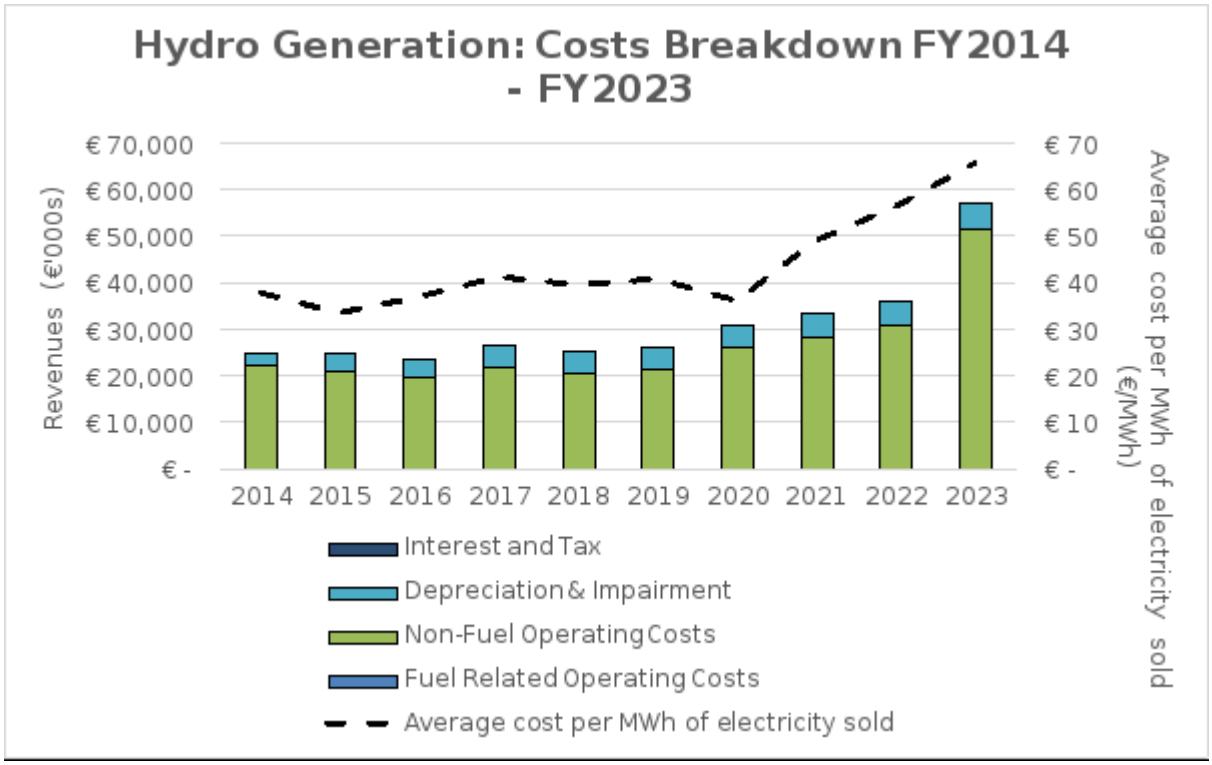
i. Wind & Solar Generation - Revenue and Costs Breakdown FY2014 to FY2023



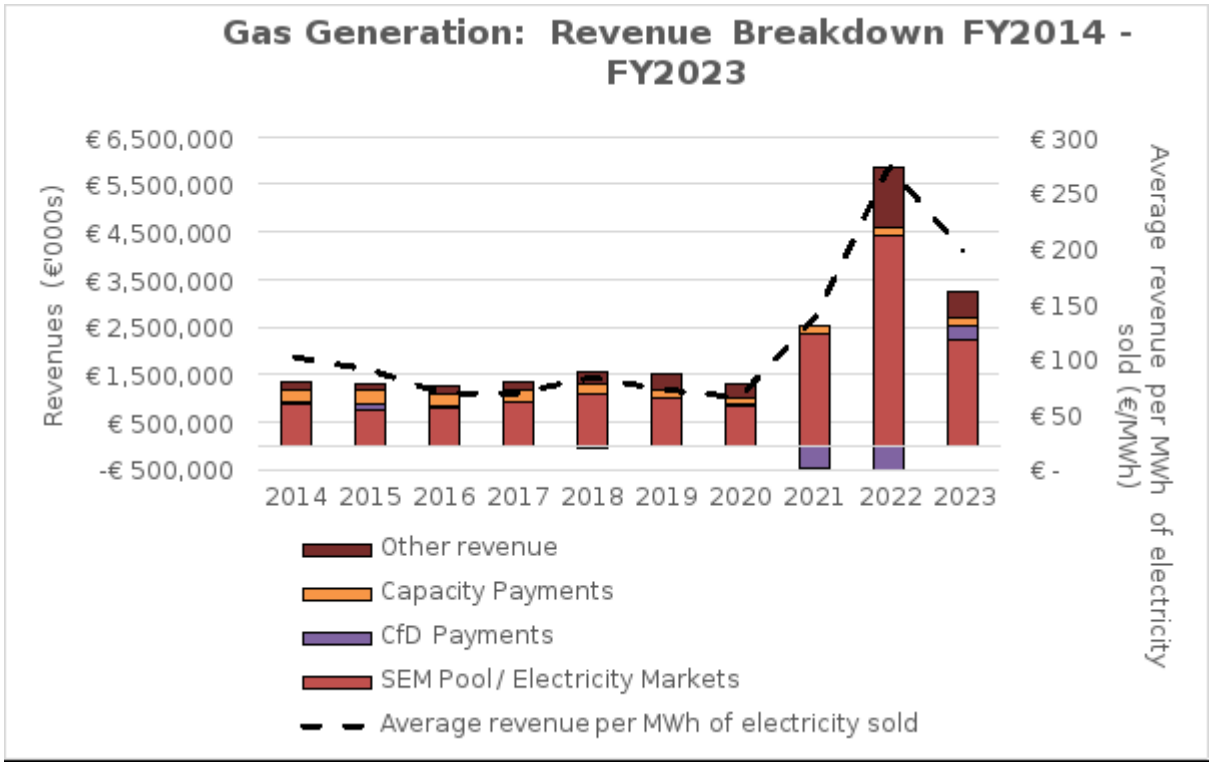


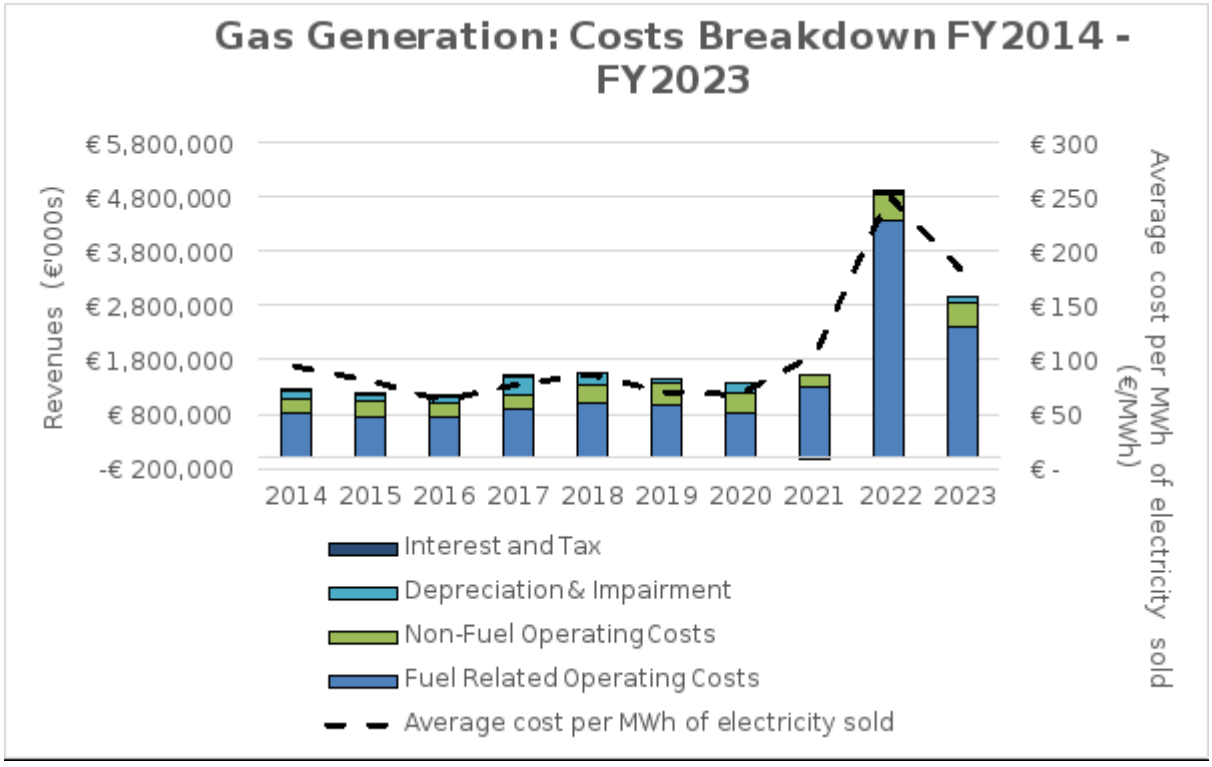
ii. Hydro Generation - Revenue and Costs Breakdown FY2014 to FY2023



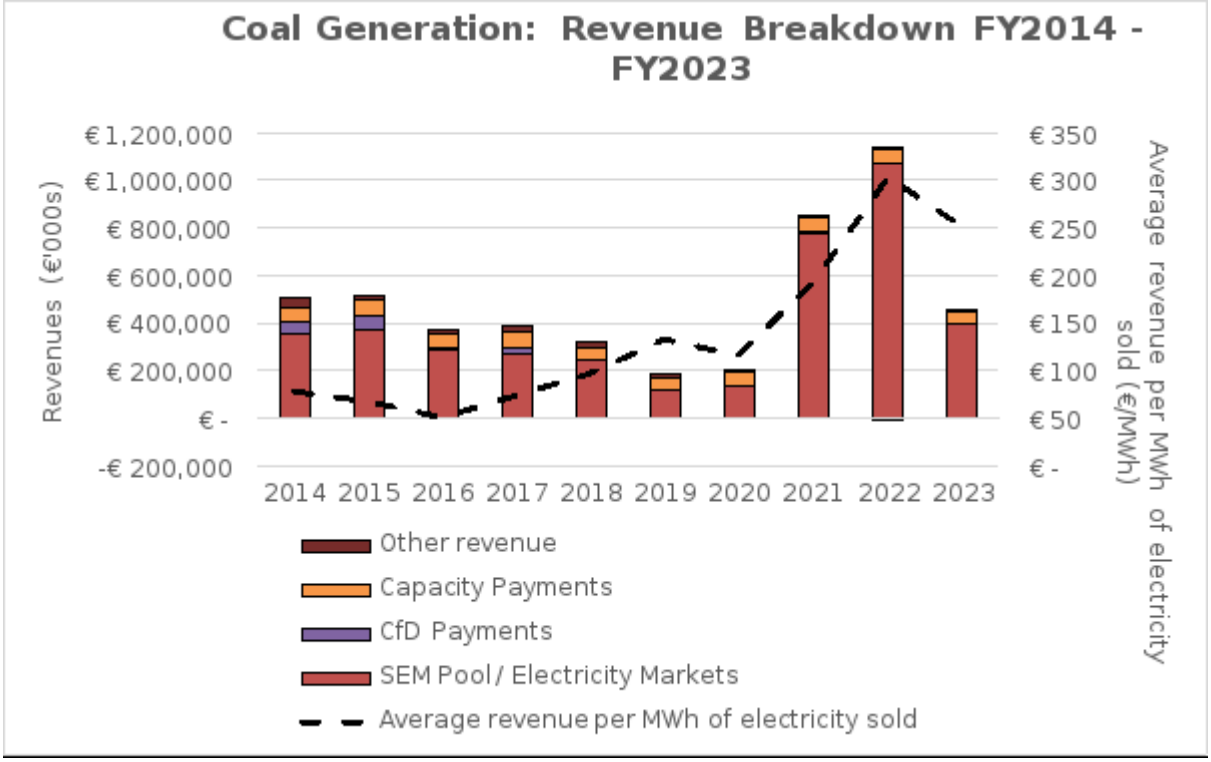


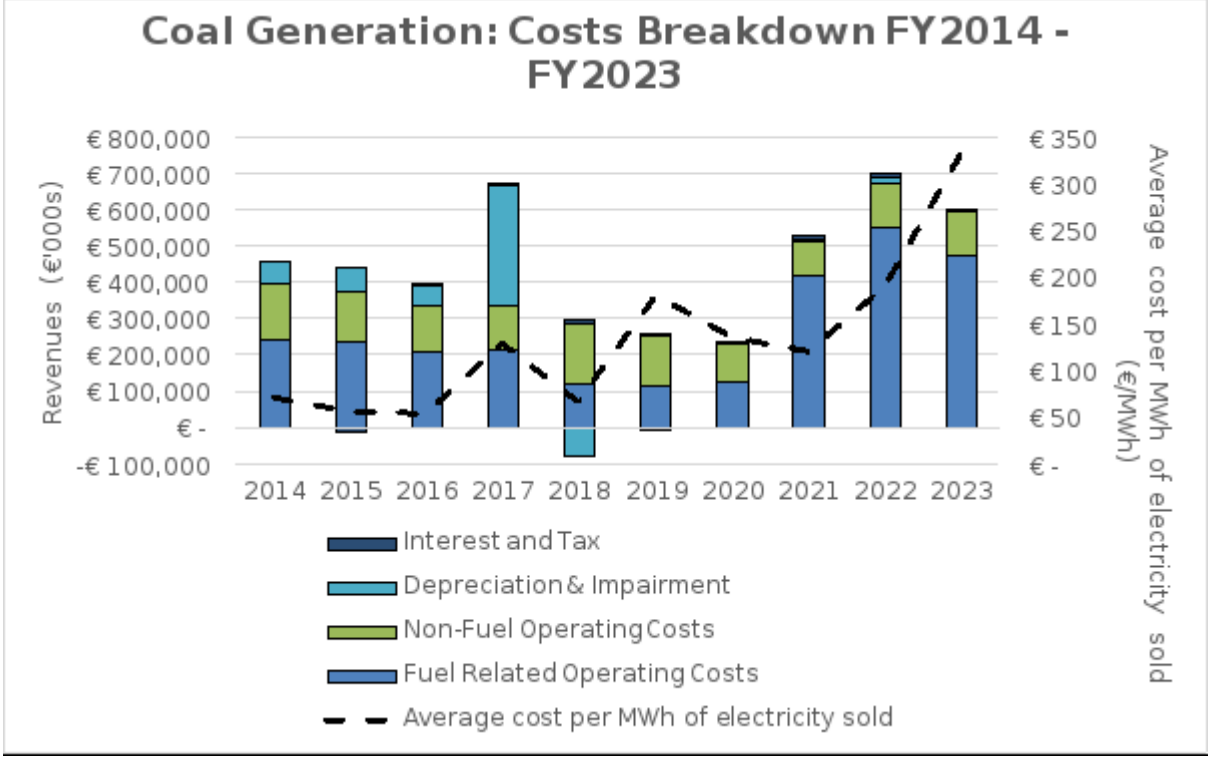
iii. Gas Generation - Revenue and Costs Breakdown FY2014 to FY2023



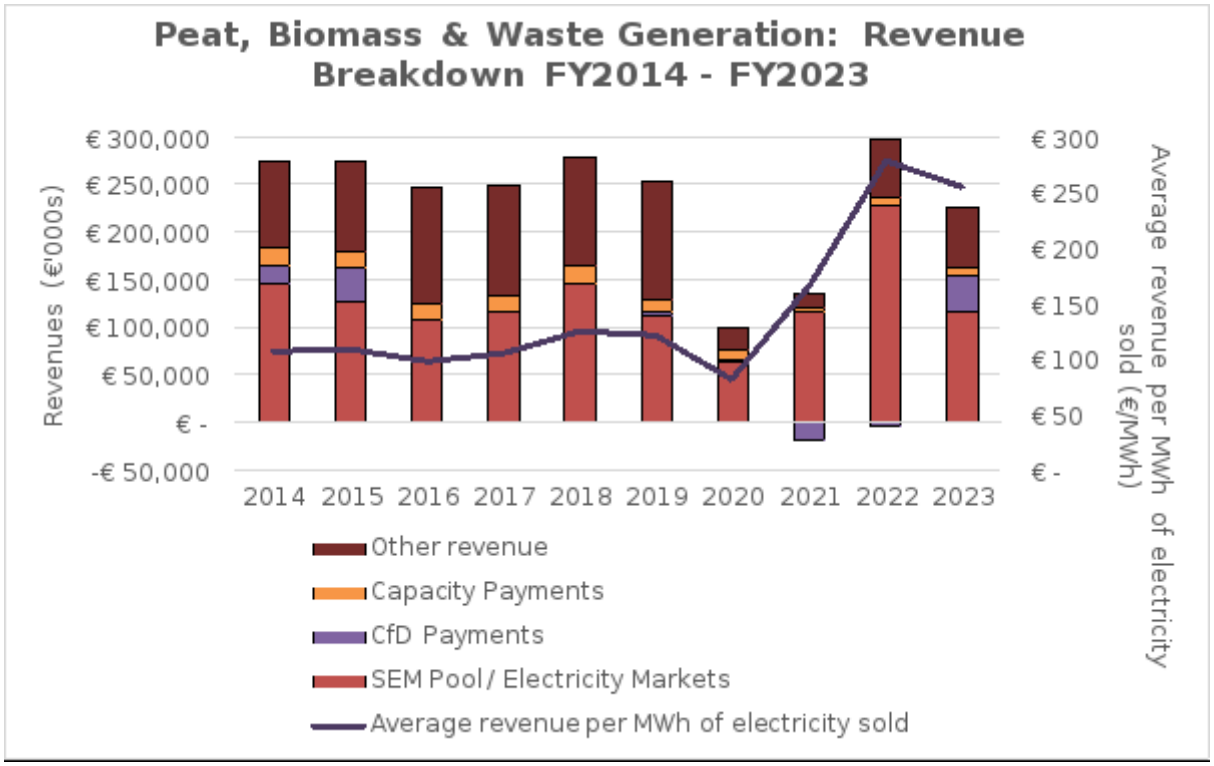


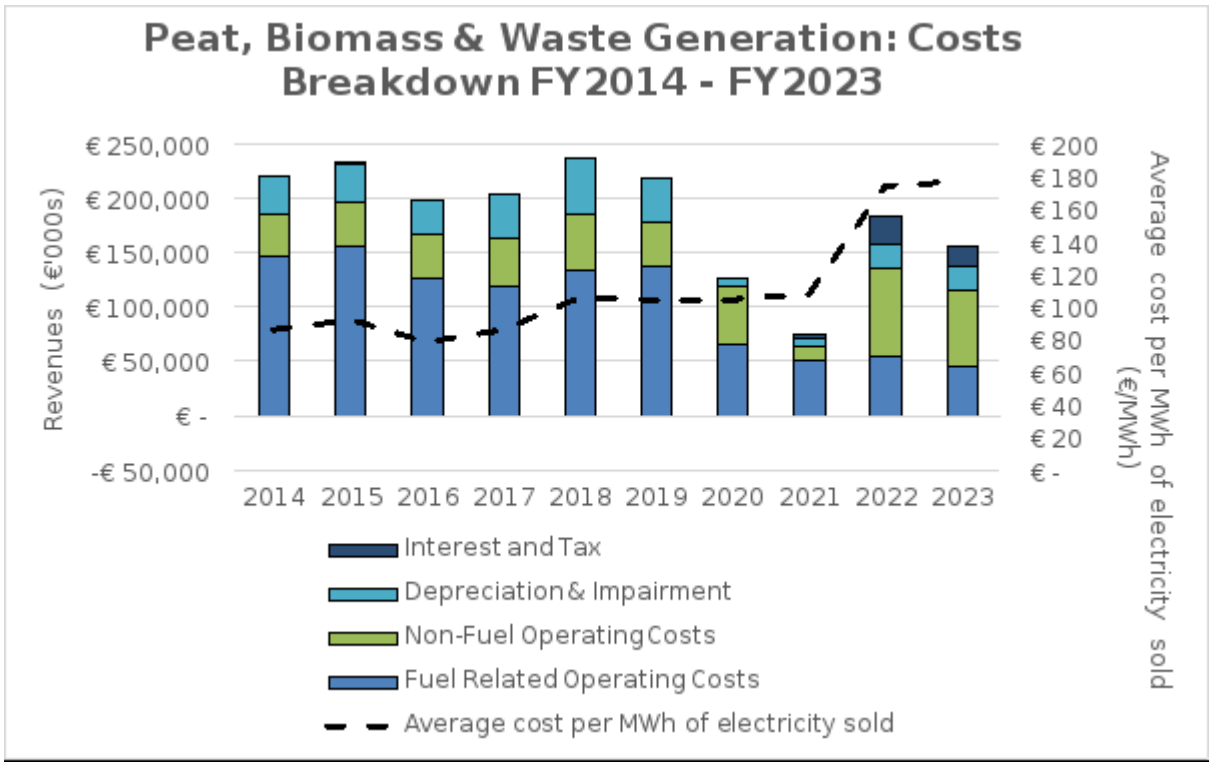
iv. Coal Generation – Revenue and Costs Breakdown FY2014 to FY2023



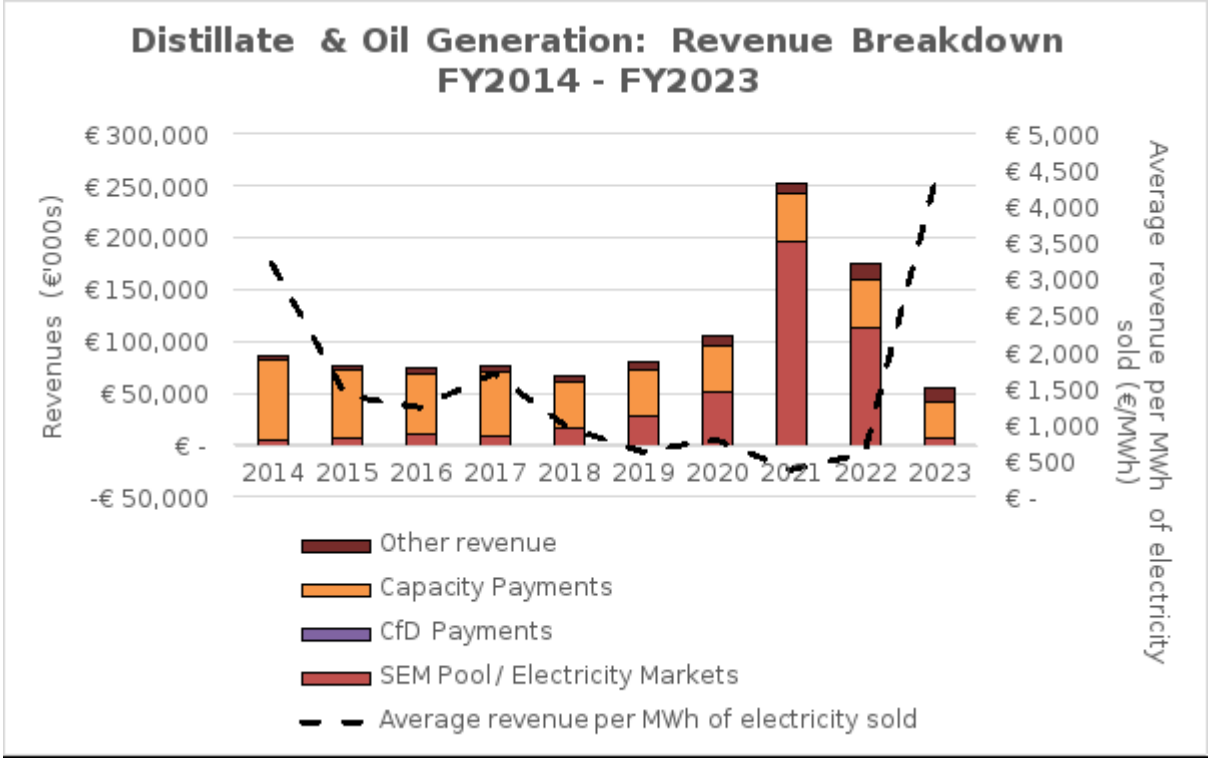


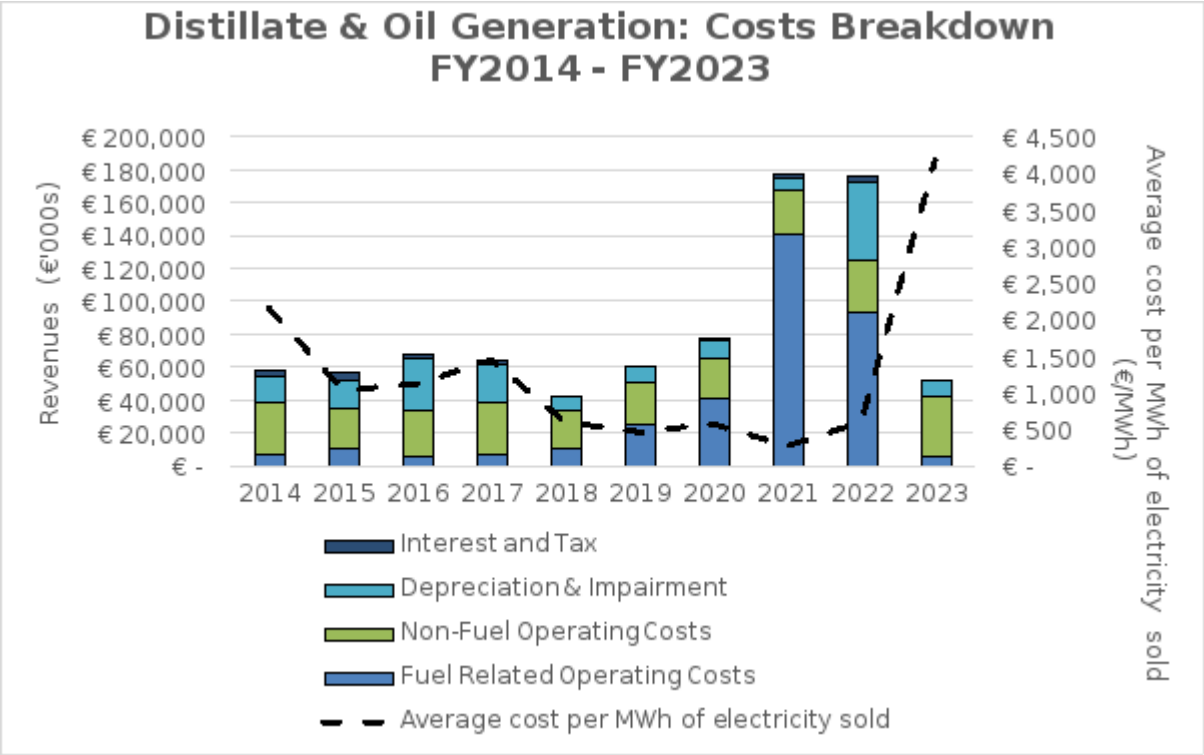
v. Peat, Biomass & Waste Generation – Revenue and Costs Breakdown FY2014 to FY2023



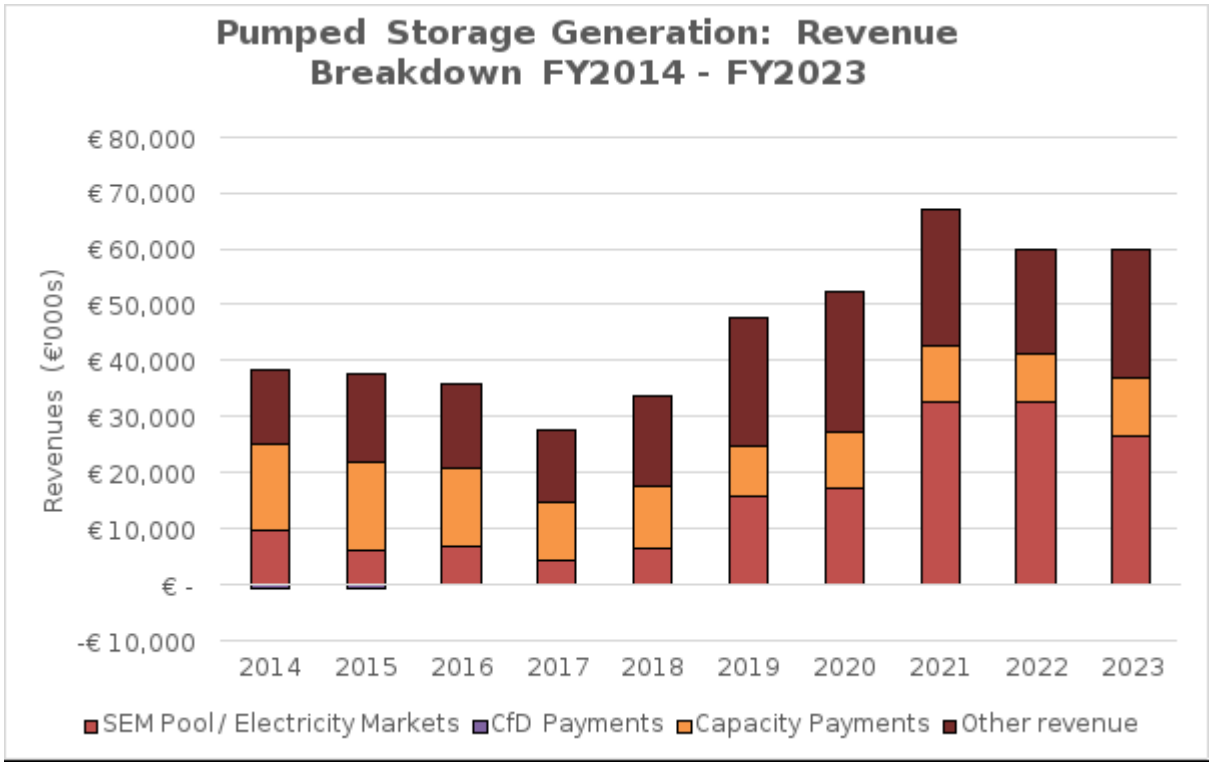


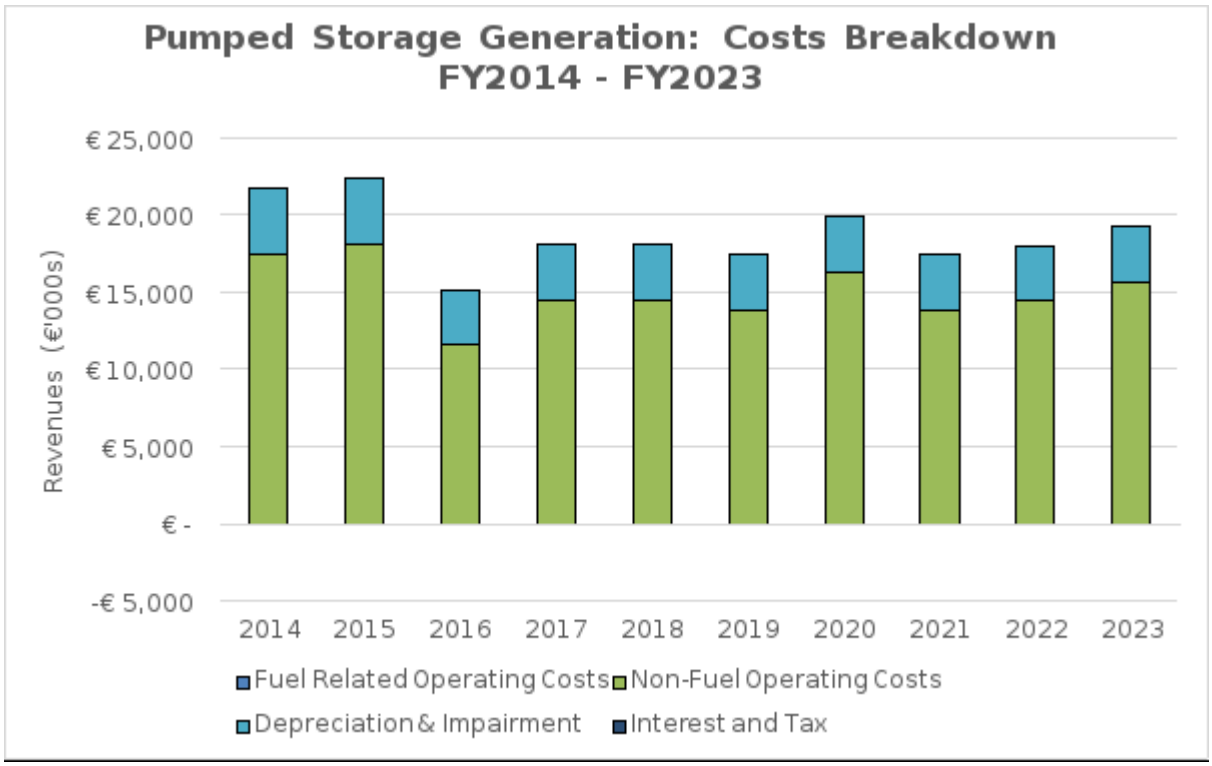
vi. Distillate & Oil Generation – Revenue and Costs Breakdown FY2014 to FY2023





vii. Pumped Storage Generation – Revenue and Costs Breakdown FY2014 to FY2023





viii. Battery Storage Generation – Revenue and Costs Breakdown FY2014 to FY2023