

CRM Submissions
By Email

24/02/2026

Captured Carbon Response to
SEM-26-003

Captured Carbon

Dear Sir/Madam

Captured Carbon Limited welcomes this opportunity to respond to this consultation on the options for timing of the upcoming CRM Auctions. We believe that the primary considerations for this Consultation are that both the existing units and new investors need to be considered while ensuring that the consumer is protected against higher prices or security of supply threats.

To maximise the opportunity for successful bidders to build and construct units a five-year timeframe is required. While participants are now encouraged to have grid and gas offers along with planning in place, there are still several reasons why projects may be delayed. The longer the agreed timeframe the greater the range of potential units in the auction which will lead to more competition and lower prices for the consumer.

The 'do nothing' option does not offer this possibility and should not be considered.

Option 1A effectively introduces the five (4.5) year timeframe in 2027, which will facilitate new investors and reduce their risk of late delivery. Option 1A also protects Existing Customers by offering two-year contracts.

It should also be noted that in both 1A and 1B the early delivery incentive should increase to 24 months for the period of that one auction.

Specific answers are provided overleaf.

Sincerely,

Cormac Daly
Head of Consultancy



Specific Answers

Do you have a preference between the two options presented in this section?

Yes, we prefer Option 1A. It provides certainty to existing users, but also to investors who are looking to invest in Ireland in the near future. However, to optimise the benefit of this option the Early Delivery Incentive should be increased to 24 months for this one auction. This would incentivise delivery in the Capacity Year 2029/30.

Could the introduction of two-year contracts for Existing Capacity create any risks from a capacity availability perspective, that would result in less capacity being available than under the current approach of two one-year contracts?

We don't believe so.

Are there any solutions, other than two-year contracts for Existing Capacity, which should be considered by the SEM Committee to provide clarity to industry under Options 1a/1b

The RAs and the TSOs have ruled out two auctions (T-4 and T-5) occurring at a similar time, which would be our preferred solution, but what is proposed is reasonable.

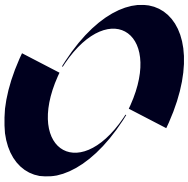
Do any of the options outlined above create risks or benefits not covered in this consultation?

There is a risk that an inappropriate capacity requirement will be used in the auction. This is an issue with a two-year auction timeframe and will be the case in either Option 1A or Option 1B. However, as these auctions are taking place five years in advance, with a T-1 auction to facilitate auction shortfalls this risk should be minimal.

In both Option 1A and Option 1B there is a requirement for an extension to the EDIs.

Which option, out of Options 1a, 1b, and a “do nothing” do you consider to be best? If your response is dependent on the Decision taken for the longer-term, please state this and explain why.

We consider Option 1A the best. It provides greatest confidence to new investors. The auction is soon and will provide the longer timeframe for development sooner than is the case under do nothing or option 1B. This should see more development at a lower clearing price. However, it is important that the EDIs are provided for those that deliver in the 2029/30 timeframe. Those who were not confident that they could deliver by September 30th 2029, may have missed the 2029/30 T-4 auction. If they are now able to deliver in this capacity year, then this should be incentivised.



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Would moving to T-5 auctions be preferable to the current approach of T-4 auctions? Would some alternative auction schedule be preferred to T-5?

The longer the timeframe the better the chance that units will be delivered on schedule. Yes T-5 auctions are preferable to T-4 auctions.

If moving towards T-5 auctions, how should the SEM Committee transition to this longer lead time? Responses could refer to proposals outlined in Options 1a/1b or other suggestions?

Option 1A.

Are there any wider considerations or market trends which would indicate that moving to a T-5 schedule is unnecessary or inappropriate in the longer-term?

While the RAs and the TSOs are introducing onerous mods to try to ensure that participants have planning, gas and grid in place prior to the auction qualification. There is still insufficient time to be confident that a unit will be developed in 3.5 years. A T-5 schedule is the way forward.

What impacts, if any, could moving to a T-5 auction have on clearing prices in the CRM, and therefore on consumer costs?

Moving to a T-5 auction is likely to reduce auction prices for two reasons. The Capacity requirement is likely to be less as TSOs, and RAs will be more confident that successful bidders will deliver capacity and the auction will see better prepared participants qualifying for the auction with more time to deliver. This will see more competition in the auction forcing down clearing prices.