



SEMOpX Revenue Requirement for 2026/27

Information Paper

SEM-26-53

24 August 2026

EXECUTIVE SUMMARY

EirGrid and SONI, in their capacities as designated NEMO in Ireland and Northern Ireland respectively, submitted their initial SEMOpx Revenue Requirement for 2026/27 and 2024/25 K-Factor on the 4 June 2026.

This Information Paper provides an overview of the annual K-Factor and Revenue setting process in line with the allowances set out for the tariff year and next steps for the publication of the SEMOpx Charges for 2026/27.

The RAs reviewed the SEMOpx submission and calculations and following engagement with SEMOpx have approved the revenues shown in Table 1 below for the period from 01 October 2026 to 30 September 2027.

The overall revenue requirement below is approved until 30 September 2027. The Statement of Charges will be published by SEMOpx based on Table 1 below.

Table 1. Total SEMOpx Revenue Requirement 2026/27.

Total SEMOpx Revenue Requirement 2026/27 (March 2026 Prices) (€m)	
SEMOpx 2026/27	5.991
2024/2025 K-Factor	-0.891
Total Revenue Required	5.100

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1. Introduction

1.1 Background

SEMOpx provides day-ahead and intraday electricity market trading within the Single Electricity Market (SEM). The SEMOpx revenue requirement outlined in this Information Paper covers the period from 1 October 2026 until 30 September 2027 and the K-Factor for 2024/2025.

On 18 December 2023, SEMOpx submitted a proposal to the RAs for a more streamlined Regulatory Revenue Recovery Framework. This proposal was presented to the RAs with the aim of stepping away from the multiannual price control process for SEMOpx while continuing to ensure RA oversight on the SEMOpx revenue provision. Following consultation in SEM-24-022¹ regarding the Regulatory Revenue Framework, the RAs confirmed in their decision SEM-24-043² that a new annual framework as proposed in the consultation should be adopted. This framework [‘the new framework’] provides for a broad retention of many elements of the regulatory framework within the 2019 to 2022 period and includes the inclusion of a Best Available Forecast CapEx element. Under the new framework CapEx is added to the SEMOpx RAB as incurred. This Information Paper provides an overview of the annual K-Factor and Revenue setting process in line with the allowances set out for the tariff year and next steps for the publication of the SEMOpx Charges for 2026/27.

The annual revenues for SEMOpx are adjusted to account for any K-Factor for over or under recovery in the previous year including any performance against KPIs.

2. SEMOpx 2026/27 Revenue Requirement

2.1 SEM-24-043 Revenue Requirement

The total revenue allowance for SEMOpx for the 2026/27 period is €5.991m in March 2026 prices. This is comprised of Opex and Finance costs as set out in Table 2. The Opex figures as set are based on the previous year’s cost (adjusted for inflation) as

¹ [SEM-24-022 SEMOpx Revised Regulatory Revenue Recovery Framework Consultation Paper published on 19th March 2024](#)

² [SEM-24-043 SEMOpx Revised Regulatory Revenue Recovery Framework Decision Paper published on 10th June 2024](#)

per the framework outlined in SEM-24-043. SEMOpx has sought, and the SEM Committee has approved, an additional 3.25 FTEs for 2026/27. These additional FTEs are required to ensure appropriate controls between SEMOpx and other EirGrid and SONI activities in a competitive multi-NEMO environment.

Opex costs include Payroll, Facilities and Overheads, IT and Telecommunications, Finance and Regulation, Contract Services and Market Coupling Costs, Finance and Regulation Costs, FX Settlement and Other Pass-Through Costs and IT Cloud Projects, as set out in SEM-24-043.

Finance costs include the return on SEMOpx's Regulatory Asset Base, Depreciation and SEMOpx's margin, which are calculated as per the framework.

Table 2. Total allowed revenues for OpEx and Finance 2026/27.

SEM-24-043 Revenue Requirement	Tariff Year 2026/27 €m (March 2026 prices)
OPEX	5.155
Finance	0.836
Total	5.991

2.2 Correction Factor for 2024/25

SEMOpx over-recovered €860k (in March 2025 prices) in total for tariff year 2024/25.

Table 3. Correction factor for 2024/25.

2024/25 K-factor summary	€m (March 2025 prices)
2024/25 Revenue allowance	5.172
Total recovered through tariffs	6.031
K factor	-0.860
	€m (March 2026 prices)
K factor	-0.891

2.3 Total Revenue Requirement for 2026/27

Table 4. Total SEMOpx revenue requirement for 2026/27.

Category	€m (March 2026 prices)
2026/27 SEM-24-043 Revenue	€5.991
2024/25 K-Factor	-€0.891
Total 2024/25 Revenue	€5.100