



SEM GENERATOR TESTING TARIFFS 2027

SEM-26-60

17 September 2026

EXECUTIVE SUMMARY

The TSOs are required to report to the Regulatory Authorities proposing values for the testing tariffs at least four months before the start of the Year to which they shall apply, i.e. no later than 31 August each year.

The SEM Committee has decided that, as recommended by the TSOs, to retain the existing testing tariff methodology and tariff structure for 2027, with the only change being an inflationary adjustment of 2.675% to the approved 2026 tariffs.

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Glossary of Terms and Abbreviations

Abbreviation or Term	Definition or Meaning
GUUT	Generator Units Under Test
RA	Regulatory Authority (CRU and UR)
SEM	Single Electricity Market
TSO	Transmission System Operator (EirGrid and SONI)

1. Introduction

1.1 Background

1.1.1 Intro to relevant area

The TSOs are required to report to the Regulatory Authorities proposing values for the testing tariffs at least four months before the start of the Year to which they shall apply, i.e. no later than 31 August each year.

Testing Tariffs are charges levied by the TSOs on Generator Units Under Test (GUUT) in the all-island electricity market on the basis of their registered capacity. These charges are provided for under Part B of the Trading and Settlement Code. Testing Tariffs seek to recover a portion of the additional system costs associated with generator commissioning and testing activities, including impacts on Imperfections Costs, thereby reducing the extent to which such costs are borne by suppliers and ultimately electricity consumers.

On 10 May 2018, the SEM Committee approved a revised methodology for the calculation of Testing Tariffs (SEM-18-027) following the implementation of the Integrated Single Electricity Market. The TSOs commenced a review of the Testing Tariffs methodology on 1 January 2022. While progress was initially constrained by limited testing activity and insufficient data across generator technologies and capacity ranges, the TSOs have since undertaken further analysis of testing activity and associated system costs, including the development of an Imperfections Approximation Methodology.

The TSOs conducted a consultation on the proposed 2027 Testing Tariffs between 14 and 28 August 2026¹. As part of the consultation, the TSOs provided an update on the ongoing methodology review and associated analysis of testing-related system costs. The TSOs expanded their analysis of participant testing and associated imperfections costs to cover the period January 2025 to May 2026. While the results continue to indicate that the current CTEST tariff recovers only a limited proportion of estimated testing-related costs, the analysis also highlights variations in cost recovery across different generator capacity ranges. The TSOs consider that additional data and further development of the underlying methodology are required

¹ Proposed Testing Tariff Rates Consultation Paper 2027, see here: [Proposed Testing Tariff Rates Consultation Paper 2027](#)

before any conclusions can be drawn regarding potential changes to the Testing Tariff structure.

The review remains ongoing and the TSOs continue to engage with the Regulatory Authorities on its progress.

1.1.2 Related Documents

- [SEM-25-065 – SEM Generator Testing Tariffs 2026 Decision Paper](#)
- [Proposed Testing Tariff Rates 2027](#)

1.1.3 Structure of Paper

- Section 2 of this Paper sets out the TSOs' recommended testing tariffs for 2026.
- Section 3 of this Paper sets out the SEM Committee's decision on testing tariffs for 2026.
- Section 4 of this Paper discusses next steps following on from this Decision.

2 SEM Testing Tariffs 2027: TSO Recommendation

The TSOs have proposed to retain the existing testing tariff methodology and tariff structure for 2027, with the only change being an inflationary adjustment of 2.675% to the approved 2026 tariffs.

No responses were received to the consultation.

The TSOs are continuing their review of the Testing Tariffs methodology, the outcomes of which may inform future changes to the methodology and tariff structure.

3 SEM Committee Decision

The SEM Committee has decided, as recommended by the TSOs, to retain the existing testing tariff methodology and tariff structure for 2027, with the only change being an inflationary adjustment of 2.675% to the approved 2026 tariffs.

Tariff A

Table 1: Recommended Testing Tariffs for Calendar Year 2027

Generator Capacity	MW	SEM 2026 €/MWh (From 1 Jan 2026)	SEM 2027 €/MWh (From 1 Jan 2027)	% Variance
GEN < 50	50	€1.21	€1.24	2.5%
50 GEN ≤ 100	100	€4.69	€4.82	2.8%
100 < GEN ≤ 150	150	€6.09	€6.25	2.6%
150 < GEN ≤ 200	200	€6.82	€7.00	2.6%
200 < GEN ≤ 250	250	€6.99	€7.18	2.7%
250 < GEN ≤ 300	300	€7.11	€7.30	2.7%
300 < GEN ≤ 350	350	€7.11	€7.30	2.7%
350 < GEN ≤ 400	400	€7.11	€7.30	2.7%
400 < GEN ≤ 450	450	€7.11	€7.30	2.7%
450 < GEN	500	€7.11	€7.30	2.7%

Tariff B

Tariff B is set to zero for all units.

4 Next Steps

The testing tariff rates set out above will apply from 1 January 2027.

The TSOs will continue their review of the appropriateness of Testing Tariff rates which may result in further proposed changes to the methodology.