

APPENDIX E – DEMAND RESPONSE ASSOCIATION OF IRELAND - RESPONSE

SUMMARY INFORMATION

Respondent's Name	Demand Response Association of Ireland (DRAI)
Type of Stakeholder	Demand Side Unit
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Confidential Response	No

CAPACITY MARKET CODE MODIFICATIONS CONSULTATION COMMENTS:

ID	Proposed Modification and its Consistency with the Code Objectives	Impacts Not Identified in the Modification Proposal Form	Detailed CMC Drafting Proposed to Deliver the Modification
CMC_04_22 New Reference Rates for Default Interest	The DRAI supports the proposed modification.	None identified	None proposed
CMC_06_22 New Independent Combined Units	The DRAI supports the proposal and welcomes the SEMC's minded to position to approve the proposed modification which aims to encourage entry by DSUs and other aggregated capacity. As discussed at Working Group 25, and outlined in the consultation paper, implementing the solution will impact a number of capacity market and other processes. The DRAI suggests that the implementation is fully scoped and impact assessed by the SOs, so that stakeholders can provide input and ensure that the solution is efficiently implemented and addresses all impacts on the end to end process, including but not limited to matters such as the application of de-rating, assessment of substantial financial completion, and potential knock-on impacts on Reliability Option obligations at a portfolio level.	Suggest that an action is taken by the SOs to impact assess the end to end process and scope the work involved in implementing the proposal	None proposed

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	<p>We believe that it is important to properly resource the work that will be required to update processes and systems to implement the change, and that this should be done in a collaborative manner with industry participants to ensure that the full benefits of the change are realised.</p>		
<p>CMC_07_22 Joint Market Registration Variation in Mix</p>	<p>SEM-21-077 stated that both proposals raised under CMC_10_21 had merit and recommended they undergo further Working Group discussion. The DRAI raised CMC_07_22 after repeated attempts to engage with the RAs and SOs on the content of these proposals and steps to move them forward were unsuccessful. The text of CMC_07_22 is unchanged from that of Proposal 2 under CMC_10_21, originally raised in May 2021. References to an “updated proposal” in the consultation paper are not correct.</p> <p>We welcome the comments from the SOs provided at Working Group 25 on 19th May 2022. This was the first time SO feedback was provided following the SEM-21-077 decision and we welcome the written feedback that the SOs have proposed to provide as part of this consultation process. It is disappointing that the process has been so slow and that lack of engagement on CMC_10_21 led to the need to resubmit the same modification in order to prompt engagement recommended in the SEM-21-077 decision.</p> <p>The consultation paper outlines several areas of the code, and the administrative and procedural steps in capacity market processes potentially impacted by the proposed modification. We request that further consideration is given to the aims of this modification proposal (to remove administrative limitations which impact DSU market participation) and that further engagement is undertaken between RAs, SOs and market participants to propose a way forward to achieve these aims. We are eager to work with both the RAs and SOs to progress this proposal and to allow the full capability of the IDS’ that make up a DSU aggregator’s portfolio to be realised.</p> <p>With the intense focus on security of supply and capacity adequacy, it is important that measures such as this are progressed as a matter of urgency so that the full capability of DSUs can be exploited to provide services to the power system, and administrative limitations minimised.</p>	<p>The SOs provided verbal feedback at Working Group 25 of potential impacts on the settlement process, and other parts of the CMC including Section G. We look forward to having sight of this feedback in their response to this consultation.</p>	<p>None proposed – further engagement with SOs and RAs required.</p>

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CMC_08_22 Local Capacity Constraints Maximum Quantities	The DRAI does not support the proposed modification. We have a number of concerns, similar to those raised by other participants at Working Group 25. Setting a maximum limit to LCCAs seeks to add constraints to the capacity market auction process to reflect scenarios where grid connection offers have been issued, but the physical delivery of the required infrastructure has been delayed, or there are some other limitations on the SOs' ability to use the procured capacity. The issue is linked to grid connections and pace of infrastructure delivery. Placing additional constraints in the capacity market auction processes does not address this core issue.	Impacts on investment signals to participants wishing to take part in the capacity market	None proposed
CMC_09_22 Secondary Trade Approval Notification	The DRAI supports the proposed modification.	None identified	None proposed