



Capacity Market Code Modifications

WORKSHOP 20 REPORT

27 JULY 2021

CONFERENCE CALL

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Document History

Version	Date	Author	Comment
1.0	3 rd August 2021	Market Modifications Team	Drafting including all working group comments received following meeting
2.0	11 th August 2021	Attendee Review complete and document updated.	Final draft published

Distribution List

Name	Organisation
Working Group Attendees	Various

Reference Documents

Document Name
Capacity Market Code
CMC_03_21 Modification to the provisions for Substantial Financial Completion v3
CMC_12_21 Modification to the methodology for calculating the De-Rated Grid Code Commissioned Capacity

In Attendance

Name	Company
Ian Mullins	Bord Gais Energy
Jon Sedgwick	DRAI
Catherine McHale	ESB GT
David Beirne	iPower Solutions Ltd
Christopher Goodman	SONI
Eoin Sweeney	DRAI
Kevin Lenaghan (Chair)	UR
Tomas Mahony	EirGrid
Katia Compagnoni	Eirgrid
Stuart Ffoulkes	UR
Sandra Linnane	EirGrid
Esther Touhey	SONI
Sean McParland	Energia
Marc Curran	EirGrid

The Secretariat welcomed all to Workshop 20. The Secretariat gave an overview of the Programme of Work noting that there were a number of Modifications out for consultation with the RAs confirming that the consultation will end on 10th of August.

It was confirmed that version 5.0 of the Capacity Market Code has been published and is online. Version 6.0 of the Code would be published in the autumn.

1.1 CMC_03_21V3.0

DRAI presented the Modification Proposal.

The Proposer provided a presentation on this Modification noting that Version 1.0 was raised initially at Workshop 18 but there were a number of areas that required further consideration.

The Proposer summarised that a request for proof of contract more than 2 years in advance results in a Demand Side barrier which prevents full use of existing assets and associated end consumer benefits. The Proposer advised that analysis had been carried out on other markets showing that the end of deadline date was closer to delivery. This helped to facilitate increased demand side participation.

Clarifications and additional responses were provided for the below 5 items.

1. Performance securities
2. Robustness to changes in the profile of termination charges
3. Timing of the election to be made under J.2.1.3
4. Enhanced Implementation Progress Reporting
5. Volume cap for the amount of capacity using the alternative route to achieve Substantial Financial Completion

A query was raised by a Participant in relation to the choices one has when Substantial Financial Completion is reached. It was questioned if a contract could be split at any stage reducing the risk for part of it. The Proposer agreed with the idea but advised it would be complex to write up and facilitate.

The RAs confirmed they were happy with the responses given for the queries raised and were in agreement that the split may not be feasible. A follow up query was concerned with how the Market would be notified of changes to the units and it was confirmed that such changes do not trigger market notifications. The RAs and the SOs would be aware because of the request to submit security but these details are not subject to publication.

A concern was raised by a Participant on the increased risk to security noting that the new capacity could take weeks, be very costly and still not be delivered on time. The Proposer noted that this Modification was more specific and the issue of security was addressed with a more balanced proposal. The RAs advised that there is already a provision to allow termination in case of non-delivery and this proposal provides an alternative. An update could be made to J.6.1.3 to provide additional comfort on this. It was agreed that this would be reviewed and included in the consultation response. The SO also stated that the modelling for T-1 auctions poses some risks with the introduction of this Modification and needs further considerations.

Modification Status – RA Consultation

1.2 CMC_12_21

DRAI presented this Modification Proposal.

The Proposer provided a presentation giving an overview and background on how this Modification originated. It was summarised that the purpose was to remove the use of Gross De-Rating Factor for all units and to remove the legacy text from CMC G.1.3.4. The Proposer went through examples to show how a CMU could be discriminated against, advising that this proposal would remove the issue.

It was also noted that there was a flaw in the algebra of G.3.1.8. This would be corrected by using Awarded Capacity instead of using Initial Capacity.

The RAs agreed that there was an issue where Awarded Capacity is less than Qualified and needed to be fixed. There was interest in seeing other circumstances and questions were raised on whether limb (b) should be removed or not in G.3.1.4A, with particular reference to the use of non-zero INCTOL.

Modification Status – RA Consultation

2 AOB

Secretariat thanked all for attending the Workshop and confirmed that there may be a change to the date for Capacity Workshop 21 which is currently due to take place on Thursday, 16th September 2021 with a submission deadline of 2nd September 2021.

2.1 NEXT STEPS

- 1) TSOs to publish Workshop Report.
- 2) RAs to publish timetable for consultation and decision for all proposals (provisional date 10th August).
- 3) Energia/RAs to review J.6.1.3 and suggest update to further remove risks to security of supply for the changes highlighted in CMC_03_21.
- 4) All Participants to consider whether limb (b) in G.3.1.4A should be removed or not.

Status as at 27 July 2021

Modification Proposals ‘Under Consultation’ without System impacts

Title	Sections Modified	Sent	Decision Due
CMC_08_21 Ex-post Verification of Compliance with the CO2 limits	I.1.2	N/A	
CMC_09_21 Timeframe to consider SFC Extensions	J.5.2	N/A	
CMC_10_21 Modification to the provisions for Market Registration of Demand Side Units	E & I	N/A	

Modification Proposals ‘Under Consultation’ with System impacts

CMC_05_21 Substitution of Candidate Units	J.5.5	N/A	
CMC_06_21 NIRO & DSU	E & I	N/A	
CMC_07_21 E.4 Application for Qualification Date	E.4	N/A	
CMC_11_21 Extending Current ASTN Form	M	N/A	

Modification Proposals ‘Recommended for Rejection

N/A	N/A	N/A	
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RA Decision ‘Further Work Required

CMC_03_21 Modification to the provisions for Substantial Financial Completion	J	N/A	
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RA Decision Approved Modifications with System Impacts

N/A	N/A	N/A	
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RA Decision Approved Modifications with no System Impacts

CMC_01_21 Amendment relating to the provision of the CAM Report following a Capacity Auction	B.10.4.1	14 July 2021	
CMC_02_21 Amendment to Capacity Market Code Modifications Workshop Agenda Timeline	B.12.7.1	14 July 2021	
CMC_04_21 Verification Requirements for Implementation Plan Milestones	J.4.3	14 July 2021	

RA Decision Rejected

N/A	N/A	N/A	
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Withdrawal Notifications

N/A	N/A	N/A	
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Modification Proposal Extensions

N/A	N/A	N/A	
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