SEM Capacity Market

2024/2025 T-1 Capacity Auction
Provisional Capacity Auction Results

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1. Executive Summary

This report contains the provisional Capacity Auction Results for the T-1 Capacity Auction in respect of the Capacity Year 2024/2025, which took place on the 25th April 2024. The Capacity Auction summary results are presented below in Table 1.

Table 1 – Summary of provisional Capacity Auction Results

Capacity Auction Summary Results	
Parameter	Quantity /Number
Auction Clearing Price (€/MW per year)	€147,580.00
Auction Clearing Price (£/MW per year)	£128,114.20
Average Price of Awarded Capacity (€/MW per year)	€148,287.00
Average Price of Awarded Capacity (£/MW per year)	£128,728.00
Total Awarded Capacity (MW)	784.97 MW
Qualified Capacity Market Units (greater than 0 MW)	32
Opt-Out Notifications	3
Capacity Market Units that submitted Capacity Auction Offers	22
Capacity Market Units allocated Awarded Capacity	22

The Auction required quantities for Ireland, Dublin, and Northern Ireland locational areas were not satisfied. This report includes further details with respect to the Final Qualification Decisions for the 2024/2025 T-1 Capacity Auction as well as the Provisional Capacity Auction Results per individual Capacity Market Unit. The report also provides a breakdown of the results by technology class and locational area.

2. Background

The Capacity Market seeks to ensure that the generation capacity in Ireland and Northern Ireland (including Storage, Demand Side Units and Interconnector capacity) is sufficient to meet demand and that the regulatory approved generation adequacy standard is satisfied. It is a competitive auction-based design where the most efficient and lowest cost capacity is most likely to be successful.

Only those units who are successful in the capacity auctions will receive capacity payments. Capacity providers that are successful in the capacity auction will be paid regular payments during the year for each MW of capacity they successfully sold to the market in the Auction. In return, capacity providers that have been successful in the Auction are required to deliver on their Capacity Market obligations. These include making available the awarded capacity and providing sufficient energy to satisfy their awarded capacity through participation in the day-ahead, intraday and balancing market and paying difference charges where the energy price exceeds the strike price.

It should be noted that generators and other units operating in the Single Electricity Market (SEM) can also earn revenue from the energy market and system services.

The all-island capacity requirement is also expressed in terms of de-rated MWs. The requirement is calculated using the same approved methodology and takes account of a wide range of future demand scenarios, generator reliability and renewable energy output. Use of this methodology helps to ensure that whatever mix of capacity is successful in the Capacity Auction will satisfy the generation adequacy standard. The final values used in the auction are in the form of a Demand Curve set by the Regulatory Authorities, which has been adjusted accordingly for reserves, non-participating capacity and other considerations.

As well as an all-island requirement there were a number of locational capacity constraint areas and associated locational required quantities set in this auction. The areas for this auction are Northern Ireland, Ireland (excluding Greater Dublin) and the Greater Dublin Region. The reason for the inclusion of these areas is that there are limits on the transmission system that can restrict the flow of power to areas of demand. The Required Quantities set in the auction for these areas are based on the System Operators' analysis using a detailed approved methodology, with the final values used in the auction set by the Regulatory Authorities. Similar to the Demand Curve, the final auction Required Quantities for each locational area are adjusted for reserves, non-participating capacity and other considerations.

In accordance with paragraph F.9.5.1A of the Capacity Market Code (CMC), this report contains provisional Capacity Auction Results for the T-1 Capacity Auction, which took place on the 25th April 2024, in respect of Capacity Year 2024/2025.

The Final Capacity Auction Results for the 2024/2025 T-1 Capacity Auction are expected to be published on or before 4th June 2024 following approval by the Regulatory Authorities in accordance with section F.9.3 of the CMC.

In accordance with section D.1.1.1 of the CMC, the Capacity Year 2024/2025 is the period commencing at the start of the Trading Day beginning at 23:00 on 30th September 2024 and ending at the end of the Trading Day ending at 23:00 on 30th September 2025. ‘MW’ refers to a megawatt of de-rated capacity, unless otherwise stated. For prices specified in €/MW per year or £/MW per year, ‘year’ refers to a 12-month year, unless otherwise stated.

3. Final Qualification Decisions

A total of 168 Capacity Market Units sought to qualify for the 2024/2025 T-1 Capacity Auction, seeking to qualify a total of 917.193 MW of Net De-Rated Capacity. Of these, a total of 167 Capacity Market Units (CMUs) successfully qualified for the 2024/2025 T-1 Capacity Auction. 135 CMUs qualified with a capacity of 0 MW as these units have Awarded Capacity for this Capacity Year from previous Capacity Auctions.

32 CMUs qualified with a qualified capacity greater than 0 MW. A total of 914.243 MW successfully qualified for the 2024/2025 T-1 Capacity Auction. This equates to a total 753.21 MW of Existing Net De-Rated Capacity and 161.033 MW of New Net De-Rated Capacity. Table 2 and Figure 1 provide a summary of Final Qualification Decisions by Unit Type and Technology Class for both Existing Capacity and New Capacity.

Opt-Out Notifications were submitted to the System Operators in respect of 3 Capacity Market Units. Please refer to Appendix A for the full provision of Final Qualification Decisions per CMC Section F.9.5.1A (c).

Table 2 below provide a breakdown of the qualified capacity for existing[1] and new units by technology class. Figure 1 provides a graphical representation of Table 2.

Table 2 - Qualified de-rated Capacity by Unit Type and Technology Class

Unit Type	Technology Class	Net De-Rated Capacity (Existing) (MW)	Net De-Rated Capacity (New) (MW)
Aggregated Generator Unit	Gas Turbine	0	20.118
Autoproducer Unit	Autoproducer	0	0
Demand Side Unit	Demand Side Unit	20.334	108.927
Interconnector	Interconnector	76.65	0
Other Dispatchable Unit	Gas Turbine	191.466	11.004
	Other Storage	3.06	19.97
	Pumped Hydro Storage	0	0
	Steam Turbine	461.7	0
Variable Unit	Hydro	0	0
	Wind	0	1.014
Grand Total		**753.21**	**161.033**

[1] An existing unit is defined as a unit that has been commissioned under the Grid Code and has an Operational Certificate

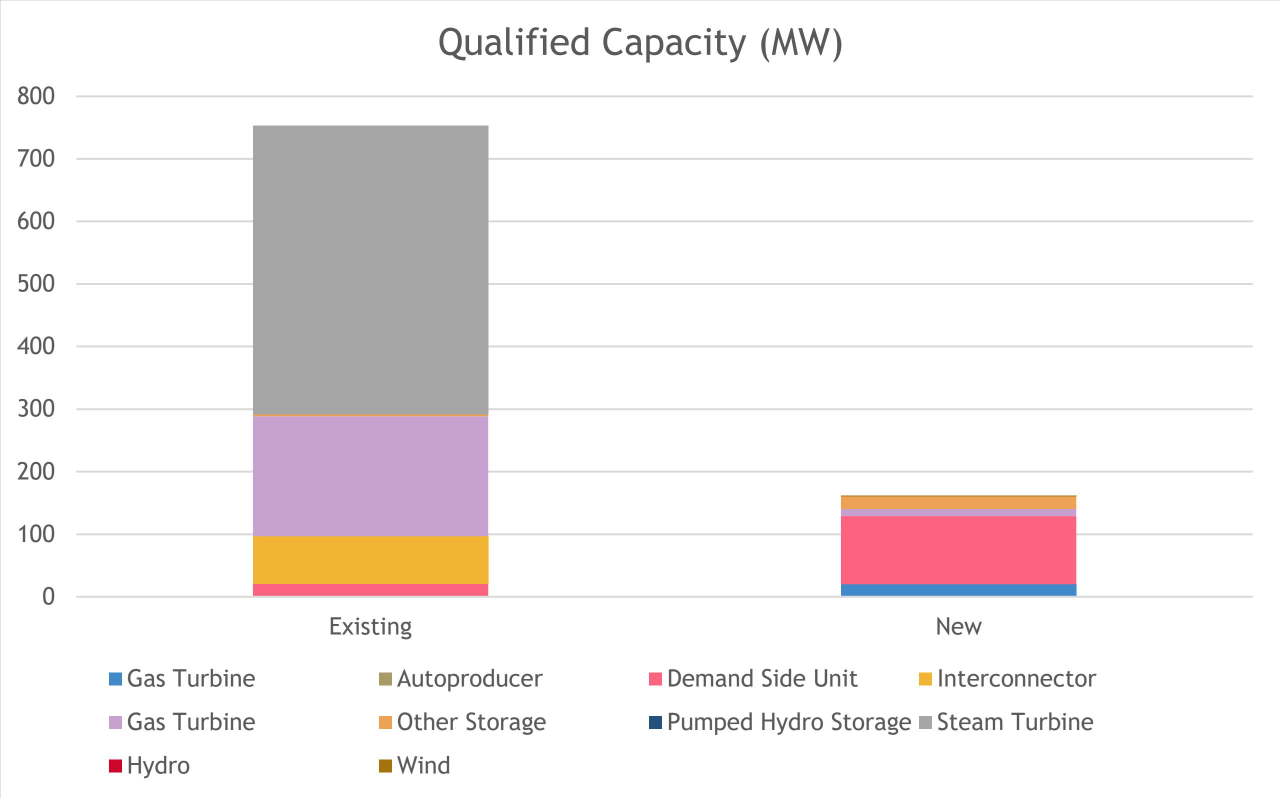

Figure 1 - New and Existing Qualified Capacity by Technology Class

4. Provisional Capacity Auction Results

4.1. Results by Capacity Market Unit

Capacity Auction Offers were submitted in respect of 22 Capacity Market Units for the 2024/2025 T-1 Capacity Auction. A total of 784.971 MW of de-rated capacity was offered into the auction and the total successful de-rated capacity in the auction was 784.971 MW.

The Auction Clearing Price was €147,580 €/MW per year or £128,114.20 £/MW per year. Where Offers are accepted at an Offer Price greater than the Auction Clearing Price, in order to maximise Net Social Welfare or to satisfy a Locational Capacity Constraint, the Capacity Payment Price is set equal to the Offer Price for that Capacity Market Unit.

The Capacity Auction Results and total Awarded Capacity for successful CMUs and unsuccessful CMUs are listed in Table 3.

A total of 22 Capacity Market Units successfully achieved Awarded Capacity in the 2024/2025 T-1 Capacity Auction. Details of the Technology Class for each unit can be found in Appendix A.

A total of 9 Capacity Market Units successfully achieved Awarded New Capacity in the 2024/2025 T-1 Capacity Auction. Implementation Plans for these Capacity Market Units are listed in Table 4.

Table 3 - Summary of Successful Capacity Market Units

CMU ID	Party Name	Awarded Capacity (MW)	Capacity Payment Price(€/MW, £/MW)	Duration (Years)	LCC Area
DSU_403660	Veolia Alternative Energy Ireland Limited	4.963	€147,580.00	1	L2-1:Greater Dublin
DSU_403790	Aughinish Alumina Ltd	14.475	€147,580.00	1	L2-2:Rest of Ireland
GU_400181	ESB	73.62	€147,580.00	1	L2-2:Rest of Ireland
GU_400270	ESB	153.9	€147,580.00	1	L2-2:Rest of Ireland
GU_400271	ESB	153.9	€147,580.00	1	L2-2:Rest of Ireland
GU_400272	ESB	153.9	€147,580.00	1	L2-2:Rest of Ireland
GU_400324	ESB	7.05	€147,580.00	1	L2-1:Greater Dublin
GU_400325	ESB	3.954	€147,580.00	1	L2-1:Greater Dublin
GU_405070	Statkraft Markets GmbH	3.06	€147,580.00	1	L2-2:Rest of Ireland
I_ROIEWIC	EIRGRID INTERCONNECTOR DAC	42	€147,580.00	1	L2-2:Rest of Ireland
DSU_403820	Powerhouse Generation Limited	2.419	€160,000.00	1	L2-2:Rest of Ireland
GU_405030	Cushaling Power Ltd	6.95	€160,345.00	1	L2-2:Rest of Ireland
DSU_403760	Electricity Exchange DAC t/a VIOTAS	3.54	€160,545.00	1	L2-2:Rest of Ireland
DSU_503650	Endeco Technologies Limited t/a GridBeyond	1.268	£128,114.20	1	L1-1:Northern Ireland
GU_500820	EP KILROOT LIMITED	34.453	£128,114.20	1	L1-1:Northern Ireland
GU_500821	EP KILROOT LIMITED	34.453	£128,114.20	1	L1-1:Northern Ireland
GU_500824	EP KILROOT LIMITED	24.47	£128,114.20	1	L1-1:Northern Ireland
GU_504200	Orsted Onshore Green Energy NI Limited	1.014	£128,114.20	1	L1-1:Northern Ireland
I_NIMOYLE	Moyle Interconnector Limited	34.65	£128,114.20	1	L1-1:Northern Ireland
GU_500825	EP KILROOT LIMITED	24.47	£137,800.00	1	L1-1:Northern Ireland
GU_504000	Powerhouse Generation Limited	5.142	£140,000.00	1	L1-1:Northern Ireland
GU_501130	iPower Solutions Ltd	1.32	£142,435.00	10	L1-1:Northern Ireland

Table 4 – Implementation Plans for Awarded New Capacity

Party / Unit Details		Awarded Capacity	Timelines from Qualification Applications							
CMU ID	Company Name	Awarded New Capacity (MW)	Substantial Financial Completion	Commencement of Construction Works	Mechanical Completion	Completion of Network Connection	First Energy to Network	Start of Performance/ Acceptance Testing	Provisional Acceptance/ Completion of Performance Testing	Substantial Completion
GU_504200	Orsted Onshore Green Energy NI Limited	1.014	30/10/2021	01/11/2021	26/06/2023	09/02/2023	09/02/2023	09/06/2023	04/08/2023	06/09/2023
GU_400324	ESB	7.05								20/12/2023
GU_400325	ESB	3.954								20/12/2023
DSU_503650	Grid Beyond	0.372	30/09/2024			30/09/2024				30/09/2024
DSU_403820	Powerhouse Generation	2.419	30/09/2024			30/08/2024				30/09/2024
GU_405030	Cushaling Power Ltd	6.95	02/11/2023	27/11/2023	01/07/2024	01/08/2024	15/08/2024	15/09/2024	30/09/2024	30/09/2024
DSU_403760	Electricity Exchange Ltd	3.54	04/06/2024			31/10/2024				04/06/2024
GU_504000	PY_000128 Powerhouse Generation Ltd	5.142	30/09/2024			30/09/2024				30/09/2024
GU_501130	PY_000093 iPower Solutions Ltd	1.32	30/09/2024			30/09/2024				30/09/2024

4.2. Capacity Auction Results by Technology Class and Locational Capacity Constraint Area

Table 5 and Table 6 provide details relating to the total successful and unsuccessful capacity in the auction for Northern Ireland, Ireland (not including Greater Dublin) and Greater Dublin. The values are given in terms of De-rated Capacity.

Table 5 - Total Capacity per Locational Constraint Area

Total Capacity (MW)	Northern Ireland	Ireland (excluding Dublin)	Greater Dublin	Market Total
De-Rated Quantity Offered	161.24	607.764	15.967	784.971
De-Rated Quantity Successful	161.24	607.764	15.967	784.971
De-Rated Quantity Unsuccessful	0	0	0	0

Table 6 - New Capacity per Locational Constraint Area

New Capacity (MW)	Northern Ireland	Ireland (excluding Dublin)	Greater Dublin	Market Total
De-Rated Quantity Offered	7.848	12.909	11.004	31.761
De-Rated Quantity Successful	7.848	12.909	11.004	31.761
De-Rated Quantity Unsuccessful	0	0	0	0.00

Figure 2 provides a graphical representation of Table 5 and Table 6. It gives the breakdown by existing and new capacity for each locational capacity constraint area and also shows the auction required quantity for that locational area.

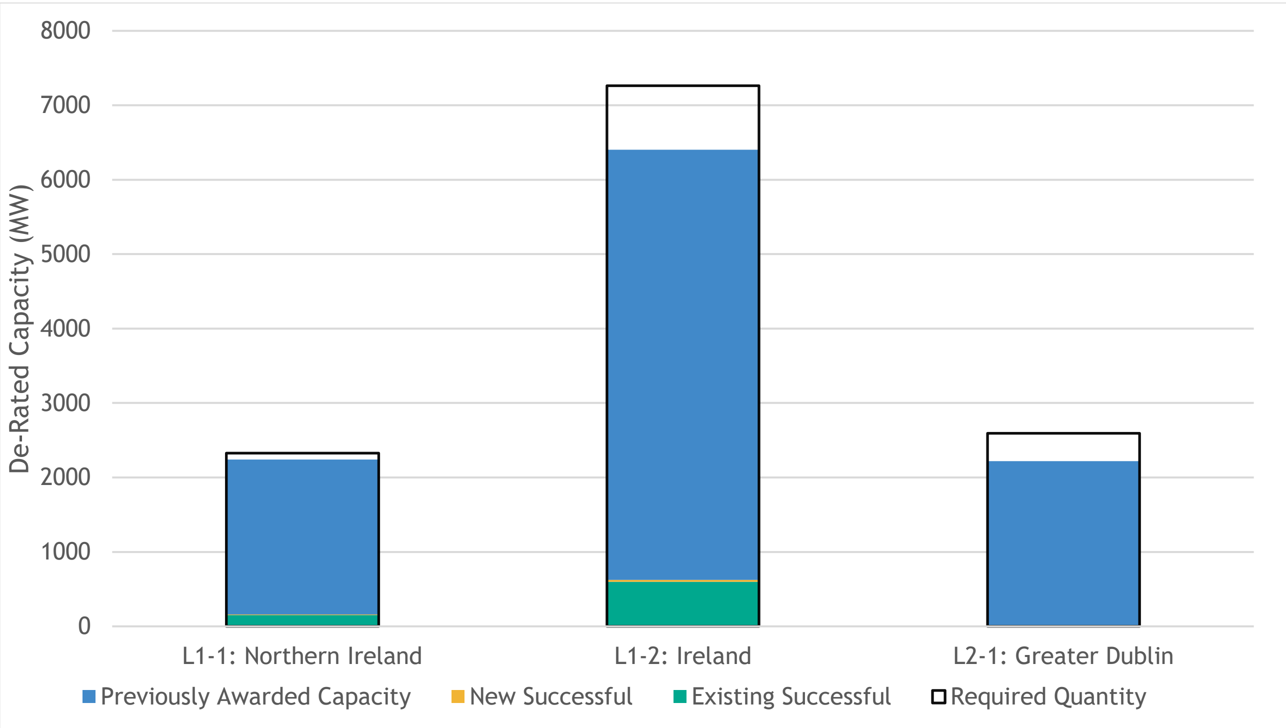

Figure 2 - Summary of auction by locational area

A total of 31.761 MW of De-rated New Capacity was successful in the auction. This comprised of gas generation, demand side units, battery storage and wind.

Auction requirement quantities for Ireland, Northern Ireland and Dublin locational areas were not satisfied. Note that the auction required quantities have been adjusted by the Regulatory Authorities to account for reserves, non-participating capacity, and capacity to be procured in future auctions.

Table 7 provides a breakdown of successful capacity by Technology Class. Of the 784.971 MW cleared, 461.7 MW is from Steam Turbine units.

Table 7 - Breakdown of successful capacity by Technology Class

Technology Class	Successful Existing (MW)	Successful New (MW)	Total Successful (MW)
Demand Side Unit	20.334	6.331	26.665
Gas Turbine	191.466	17.466	208.932
Interconnector	76.65	0	76.65
Battery Storage	3.06	6.95	10.01
Steam Turbine	461.7	0	461.7
Wind	0	1.014	1.014
Grand Total	753.21	31.761	784.971

Table 8 provides a breakdown of the MW by technology class that were qualified for the auction, and what percentage of those MW were offered into the auction. For example, 94% of all the MWs associated with Gas Turbine that were qualified offered into the auction and, 43% of the MW associated with Battery Storage that were qualified offered into the auction.

Table 8 – MW Breakdown of qualified capacity and successful capacity by Technology Class

Technology Class	Qualified	Offered	Successful	% Qualified/offered
Demand Side Unit	129.261	26.665	26.665	21%
Gas Turbine	222.588	208.932	208.932	94%
Interconnector	76.65	76.65	76.65	100%
Other Storage	23.03	10.01	10.01	43%
Steam Turbine	461.7	461.7	461.7	100%
Wind	1.014	1.014	1.014	100%
Total	**914.243**	**784.971**	**784.971**	

Table 9 provides a breakdown of the Capacity Market projects by technology class that were qualified for the auction, and what percentage of those projects were offered into the auction. For example, 100% of all qualified Gas Turbine projects offered into the auction, and 67% of qualified Battery Storage projects offered into the auction.

Table 9 - CMU project Breakdown of qualified capacity and successful capacity by Technology Class

Technology Class	Qualified	Offered	Successful	% Qualified/offered
Demand Side Unit	14	5	5	36%
Gas Turbine	9	9	9	100%
Interconnector	2	2	2	100%
Other Storage	3	2	2	67%
Steam Turbine	3	3	3	100%
Wind	1	1	1	100%
Grand Total	**32**	**22**	**22**	

Table 10 provides a summary of the Awarded New Capacity by both Technology Class and Location that was successful in the auction.

Table 10 - Breakdown of New Capacity by Locational Area and Technology Class

Technology Class	Northern Ireland	Ireland (excluding Dublin)	Dublin	Total
Demand Side Unit	0.372	5.959	0	6.331
Gas Turbine	6.462	0	11.004	17.466
Other Storage	0	6.95	0	6.95
Wind	1.014	0	0	1.014
Grand Total	**7.848**	**12.909**	**11.004**	**31.761**

5. Appendix A

Full provision of the Final Qualification Decisions information per Section F.9.5.1 (c) of the CMC can be found via the following Excel report:

5.1. Final Qualification Decisions

- Final Qualification Decisions (excel file)

5.2. Provisional Capacity Auction Results

The Provisional Capacity Auction Results can be accessed via the following Excel report:

- Provisional Capacity Auction Results (excel file)