

Thursday 30<sup>th</sup> March 2023

## Capacity Market Information Session

2027/2028

T-4 Capacity Auction



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# Agenda

Introduction - Aodhagan Downey

Upcoming Key Dates - Shelley Van den Berg

Initial Auction Information Pack - Shelley Van den Berg

Where to find the Forms? - Shelley Van den Berg

- Qualification
- Exceptions

Breakdown of Qualification Forms - Shelley Van den Berg

- New & Existing Parties
- Implementation Plans for New Capacity - Marc Curran
- CRU Direction - Marc Curran
- Annual Run Hours - Marc Curran

Capacity Market Platform (CMP) - Shelley Van den Berg

Qualification Guidelines - Shelley Van den Berg

Form Checks - reoccurring corrections - Shelley Van den Berg

Q&A - Aodhagan Downey



# Introduction

Please see Capacity Market page on the [SEMO website](#) for Capacity Market information and additional resources

## Capacity Market

The Capacity Market is a mechanism to ensure that the electricity supply in Ireland and Northern Ireland continues to meet demand.

The Capacity Market is designed to help 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. This design helps to promote the short-term and long term interests of consumers of electricity across Ireland and Northern Ireland with respect to price, quality, reliability and security of supply of electricity.

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.

### How It Works

<a href="#">Information – Timetables and Auction Packs</a>	+
<a href="#">Qualification – Who can participate in the Capacity Market?</a>	+
<a href="#">Qualification – What is required to qualify?</a>	+
<a href="#">Qualification – De-rating, Capacity Requirement and Locational Capacity Constraints</a>	+
<a href="#">Capacity Auction</a>	+
<a href="#">Delivery and Settlement</a>	+

[Join the market >](#)



# Upcoming Key Dates

## Capacity Auction Timetable - [2027/2028 T-4 Capacity Auction](#)

### Capacity Auction Timetable

In line with D.2.1.4 of the Capacity Market Code, Table 1 sets out the Capacity Auction Timetable for the 2027/2028 T-4 Capacity Auction. The timetable is based on Tables A and B of Appendix C of the Capacity Market Code and references to these tables are included.

Table 1 - Capacity Auction Timetable - 2027/2028 T-4 Capacity Auction

Category	Appendix C ref	Event	Date & Time
Info	A.1	Initial Auction Information Pack Date	02/03/23
Qualification	A.2	Opt-out Notification Date	30/03/23
Qualification	A.3	Exception Application Date	14/04/23
Qualification	A.4	Qualification Application Date	14/04/23
Qualification	A.5	Provisional Qualification Results Date	07/06/23
Review	B.19	Application for Review Date	09/06/23

# Initial Auction Information Pack

## [Initial Auction Information Pack](#) for 2027/2028 T-4 Capacity Auction:

- The IAIPs contain information on:
- De-Rating Curves and Increase/Decrease Tolerances
  - Used to convert Initial Capacity to Gross De-Rated Capacity
  - Nominated Gross De-Rated Capacity can be less where DECTOL > 0% (e.g. DSUs, IED units)
  - Net De-Rated Capacity is Gross De-Rated Capacity less Awarded Capacity

### Capacity Requirement

- The final Demand Curve will be included in the Final Auction Info Pack on 7th Sep 2023
- Final Demand Curve based on the Capacity Requirement modified by the RAs to include other adjustments.

### Locational Capacity Constraints

- The Required Quantities will be included in the FAIP on 7th Sep 2023
- Price Caps and New Capacity Investment Rate Threshold
- Termination Charge, Performance Security Rates Stop-Loss Factors
- Capacity Auction Timetable



# Where to find the Forms?

[C31,C32 Capacity Market Qualification Data Guide Read Me tab \(v1.24\)](#)

[C01,C02, C11 Capacity Market Party and Unit Registration \(v1.24\)](#)

[C31,C32a Capacity Market Qualification Data CU\(v1.24\)](#)

[C31,C32b Capacity Market Qualification Data CCU\(v1.24\)](#)

[C31,C32c Capacity Market Qualification Data AGU\(v1.24\)](#)

[C31,C32d Capacity Market Qualification Data APS\(v1.24\)](#)

[C33 Capacity Market Opt Out Notification-\(v1.24\)](#)



# Exceptions Process

- All applications for exceptions should be sent directly to the RAs including by 14th April 2023;  
Unit Specific Price Caps (USPCs)  
Maximum Capacity Duration > 1 year
- Application forms for exceptions can be located on the SEM Committee website
- Information on submitting Exception Applications to the RAs can be found in section E.5 of the Capacity Market Code and any subsequent Exception applications must be sent to [CRMsubmissions@uregni.gov.uk](mailto:CRMsubmissions@uregni.gov.uk).



# Breakdown of Qualification Forms

Please note, if your Party is Registered in the Balancing Market and you have received a PY ID, PT ID and Unit ID for this Party, then these details should be used across all Markets, including the Capacity Market.

## New Parties

Register  
your Party



C01, C02, C03  
& C11 Pack



C01 - Party Application Form - Mandatory



C02 - party Administrative User (PAU) - Mandatory



C03 - Party Administrative User (PAU) Cancellation - Mandatory



C11 - Unit Participation Notice - Mandatory

For the 2027/2028 T-4 Capacity Auction, Participants intending to submit Applications for Qualification for new units that do not have a CMU or GU ID, please submit the above forms as early as possible.

These forms can be submitted with the Application for Qualification; however, it will assist with the qualification process if new units are registered prior to submission of the Application for Qualification. The forms included in this pack are to be completed by a new Party or new Unit registering in the Capacity Market.

Parties that participated in a previous Capacity Auction do not need to complete a C01 form but will be required to complete a C11 form for any new Units registering. If a Unit participated in a previous Capacity Auction, then this pack is not required.



# Breakdown of Qualification Forms

Please note, if your Party is Registered in the Balancing Market and you have received a PY ID, PT ID and Unit ID for this Party, then these details should be used across all Markets, including the Capacity Market.

## Existing Party

### Qualify the Unit(s)

- ➔ C31, C32a - Qualification Data - for Individual Units
- ➔ C31, C32b - Qualification Data - for combined Candidate Unit
- ➔ C31, C32c - Qualification Data - for Aggregator Generator Unit
- ➔ C31, C32d - Qualification Data - for Autoproducer Unit

C11 - Unit Participation Notice - Mandatory.

C02 - Party Administrative user (PAU) Authorisation - Mandatory

C03 - Party Administrative user (PAU) Cancellation - Mandatory

**New or Existing Capacity?**  
A Unit is classified as Existing if it is commissioned under the relevant Grid Code, i.e., has an Op Cert to the value applied for.

# Implementation Plans for New Capacity

An Implementation Plan must be completed for each Candidate Unit seeking to qualify New Capacity in the current Capacity Action - Capacity Market Code Section [E.7.5](#).

Implementation Plan forms are located within the Qualification Packs which can be downloaded from the SEMO website.

Please refer to [Section J.2](#) of the Capacity Market Code for details of required Implementation Plan content.



# CRU Direction (CRU202317)

The CRU have directed EirGrid, the TSO in Ireland to issue a grid connection offer to successful participants the Ireland Locational Capacity Constraint Area in the 2027/28 T-4 Capacity Auction.

If this applies to you, as set out in the CRU letter, we will require the following evidence;

- Land owner consent
- Evidence of submission of a completed planning application

Please submit by the 1st August 2023 or earlier as available and ideally with your Application for Qualification.



# CRU Direction (CRU202317)

- CRU are of the view that the appropriate threshold de-rating (post application of the ARHLdf) is 0.5, meaning that successful units with a final derating of 0.5 or higher should be issued a grid connection offer under the Direction



# Annual Run-Hour Limits

The above limits apply to New Generation Units which generates using combustion.

Initial Annual Run Hour Limit (hours)	New Gas Turbine	New Steam Turbine	Other
≤ 500 hours	0.14	0.14	1
> 500 ≤ 1500 hours	0.43	0.43	1
>1500 hours	1	1	1

Example: a 100 MW new Gas unit that is limited to running above 500 hours per year but less than 1500 hours per year, then it would have the following De-Rated Capacity:

Initial Capacity \* IAIP Marginal De-rating factor \* ARHL de-rating factor

- = 100 MW \* 0.855 \* 0.43 = 36.765 MW De-Rated Capacity



# Annual Run-Hour Limits

## Example 1

Gas turbine is located on a site, where the site (not the gas turbine) is subject to noise limits between the hours of 23:00 and 07:00 and where running the gas turbine between the hours of 23:00 and 07:00 would exceed these noise limits.

the gas turbine is effectively limited by the environmental licence of the site to not run between the hours of 23:00 and 07:00. This gas turbine can therefore only run at its Initial Capacity for 5840 hours per year due to environmental limits.

## Example 2

A Demand Side Unit is associated with a Demand Site that provides demand reduction using on-site back-up generation and that on-site back up generation is limited to <500 hours per year.

the Demand Side Unit is effectively limited by the environmental licence of the associated Demand Site. This DSU can therefore only run at its Initial Capacity for <500 hours per year.



# Annual Run-Hour Limits

Although ARHL de-rating factors do not apply to existing generator units, existing generator units should still state their annual run hours in the application forms

Supporting Documents	Relevance	Submission Format	Complete
Emissions calculations for the purposes of assessing compliance with CO2 Limits.	Required	PDF document emailed to SEMO	<input type="checkbox"/>
Other environmental limits	Required where Duration in hours (Annual) is less than 8760 hours	PDF document emailed to SEMO	<input type="checkbox"/>

Two additional tick boxes in the 'Confirmation and Signature' tab in CU forms





# Capacity Market Platform (CMP)

All Capacity Auctions will take place via an online program known as the Capacity Market Platform (CMP). CMP is provided by the vendor Unicorn Systems.

Access to CMP is granted through the registration process. All users will require a username, password and digital certificate in order to log into the CMP successfully.

There are 3 types of user access:

- [Capacity Market Participant - Trading User \(CMP Guide\)](#)
- [Capacity Market Participant - Reporting User \(CMP Guide\)](#)
- [Capacity Market Participant - Administrator User \(CMP Guide\)](#)



# Capacity Market Platform (CMP)

Tips for accessing CMP successfully:

Clear your cache

Use Google Chrome

Access CMP website - <https://cmp.eirgrid.com>

Select the correct Certificate

- When you have selected the correct cert your username will pre-populate, if it does not pre-populate the incorrect cert could have been selected.
- Once the correct Cert is selected, the CMP page will open with the Username pre-populated. If the Username did not pre-populate, don't go any further, as typing in your Username does not work and you can be temporarily locked out of your account.
- If your Username has pre-populated then type in your password
- Please contact the team at [capacitymarket@sem-o.com](mailto:capacitymarket@sem-o.com) if you are experiencing any issues.



# Capacity Market Platform (CMP)

Each CMPA User is responsible for managing user access as required on behalf of the Party. In order to have CMPA access, the Participant must be a Party Authorised User (PAU) or have been granted CMPA access. A PAU form is completed with the Registration Pack.

**\*\*Please note the C02 form is for the Capacity Market only. The B02 form is related to the PAU for the Balancing Market.\*\***

CM Team will set up only PAUs for a Party granting them full access to CMP, including CMPA rights:

- PAU sends an email to the [Capacity Market Mailbox](#) requesting access to CMP.
- PAU will be issued a digital Certificate to install onto their PC along with a guide to installing.
- PAU then sends the Serial number and valid to/from dates of the Certificate.
- CM Team complete the PAU set up.

Subsequently, a PAU maintains user access on behalf of the Party and only Certificates are requested from the CM Team, as per the CMPA guide.



# Capacity Market Platform (CMP)

- Please ensure that requests relating to CMP access come directly from the affected user or from the PAU.
- Please note the same digital Certificate is used for both BM and CM Platforms. Therefore, please do not request the Certificates twice from different teams, in order to avoid access issues.
- If you have recently requested and installed a new Certificate, please ensure to forward details (the Serial number and valid to/from dates), so that your access to CMP can be updated.
- Note - You can use the same cert on several computers. Details on the steps to follow can be provided on request.
- Users will not be required to access the CMP until the Provisional Qualification Results Date. We recommend users log into the CMP a week or two before the Provisional Qualification Results Date to ensure access.



# Guidelines for Qualification

- Going forward we request that participants do not change their PY, PT or unit details mid-process between the qualification date and FCAR date
- Pre-registration of new parties/ units is to be completed prior to submitting Qualification Applications, this is to prevent delays during the qualification process.



# Form Checks - Reoccurring Corrections

Please check the following before submitting:

- the PY, PT, CMU and CU IDs are formatted correctly i.e. PY\_XXXXXX.
- evidence is provided for the CO2 emissions - this includes evidence if you are within or above the threshold
- an excel and PDF form is submitted in your application
- the confirmation signature is attached with your Qualification application pack
- the Initial Capacity and Nominated Capacity values are correct
  - If 0 MW is nominated and the candidate unit has a DECTOL of 100%, the unit will be qualified at 0 MW
- you have submitted the correct unit ID/s for your party
- the PY ID is submitted when asked for the PY, and similarly the PT is submitted where PT ID is requested

Please refrain from using previous templates from previous qualifications as the forms may have been updated and also information may be incorrect

Finally, please complete 2nd checks on all completed forms before submitting to the TSOs as any corrections will result in having to re-sign and re-submit qualification forms



Please check all formatting of the information you are providing .

Guidance notes are included along with some data entry cells to ensure full understanding of what is being requested.

Please read the “Read Me” guide. It provides an explanation of what is required in each form, and contains helpful information in completing the form correctly.

Any form completed with a Confirmation and Signature tab must be signed by the Company Director. The signature tab scanned and emailed along with the application to:

[CapacityMarket@sem-o.com](mailto:CapacityMarket@sem-o.com) (for Existing Parties Qualification Forms)

[CapacityMarketRegistration@sem-o.com](mailto:CapacityMarketRegistration@sem-o.com) (for new Parties Registration Forms)

If you have any questions specific to your qualification forms, please ensure you submit them to the Capacity Market email address before the Qualification deadline

# Questions?

