

MODIFICATION PROPOSAL FORM			
Proposer (Company)	Date of receipt (assigned by System Operator)	Type of Proposal (delete as appropriate)	Modification Proposal ID (assigned by System Operator)
UR	5 th May 2021	Standard	CMC_06_21
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Kevin Lenaghan		Kevin.Lenaghan@uregni.gov.uk	
Modification Proposal Title			
NIRO and the CRM: Compliance with State aid approval			
Documents affected (delete as appropriate)	Section(s) Affected	Version number of CMC used in Drafting	
CMC	E.2.1.4, E.7.4 and I.1.2.1	4.0	
Explanation of Proposed Change (mandatory by originator)			
<p>The RAs have become aware of a potential inconsistency in the CMC; in that it does not currently prevent a Demand Site that is in receipt of NIRO payments from deployment within a CMU.</p>			
Legal Drafting Change (Clearly show proposed code change using tracked changes, if proposer fails to identify changes, please indicate best estimate of potential changes)			
<p>Modify E.2.1.4:</p> <p>E.2.1.4 Where a Participant is either:</p> <p>(a) a Participant is an Intermediary for a Generator Unit, and its Form of Authority does not authorise the Participant to participate in respect of the Generator Unit in the Capacity Market, or</p> <p>(b) the Candidate Unit, <u>or any Generator or Demand Site comprising the Candidate Unit,</u> is in possession of a contract under the Northern Ireland Renewable Order for any part of the Capacity Year,</p> <p>the Participant shall not submit an Application for Qualification in relation to such the Generator Unit <u>or Candidate Unit</u>.</p> <p>Add:</p> <p>E.7.4.3A The System Operators shall reject an Application for Qualification for a Capacity Year for a Demand Site Unit where any of the Demand Sites comprising it is in possession of a contract under the Northern Ireland Renewable Order for any part of the Capacity Year.</p> <p>Add (d) to I.1.2.1</p> <p>(d) for each Imbalance Settlement Period within the Capacity Year the Capacity Market Unit meets all the requirements of this Code to be a Capacity Market Unit.</p>			

Modification Proposal Justification <i>(Clearly state the reason for the Modification)</i>
<p>The CRM is required by the State aid approval not to allow participation by any CMU, or element of a CMU, in receipt of NIRO payments.</p> <p>The changes require any such CMU not to seek to Qualify (E.2.1.4) and the SOs not to Qualify (E.7.4.3A) any such unit. With these changes in place, the existing text of I.1.3.1(a) and I.1.3.2(a) do not allow any changes of composition that would incorporate any element which holds a NIRO into an existing DSU or AGU.</p> <p>In adding new drafting to E.2.1.4, the RAs have also tidied up the existing drafting so that it makes clearer sense.</p> <p>Finally, the addition to I.1.2.1(d) covers the situation of any unit which may have Qualified and been Awarded capacity before this Modification is put into effect. While the RAs would normally avoid making Modifications that impact events that have already occurred, in this case the Modification is seeking to address compliance with a Competent Authority and ensure the CRM is consistent with its State aid approval.</p>
Code Objectives Furthered <i>(State the Code Objectives the Proposal furthers, see Sub-Section A.1.2 of the CMC Code Objectives)</i>
<p>The change is to ensure compliance with the directions of a Competent Authority, without which the CRM would not be valid.</p>
Implication of not implementing the Modification Proposal <i>(State the possible outcomes should the Modification Proposal not be implemented)</i>
<p>The risk of non-compliance with the State aid approval for the CRM.</p>
Impacts <i>(Indicate the impacts on systems, resources, processes and/or procedures)</i>
<p>The Modification requires some changes to the Qualification process followed by the SOs to ensure Demand Sites holding a NIRO are not Qualified.</p>
Please return this form to the System Operators by email to CapacityModifications@sem-o.com

Notes on completing Modification Proposal Form:

1. If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal Originator.
2. Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Regulatory Authorities.
3. Each Modification Proposal will include a draft text of the proposed Modification to the Code unless, if raising a Provisional Modification Proposal whereby legal drafting text is not imperative.
4. For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:

CMC / Code:	means the Capacity Market Code for the Single Electricity Market
Modification Proposal:	means the proposal to modify the Code as set out in the attached form
Derivative Work:	means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal

The terms "System Operators" and "Regulatory Authorities" shall have the meanings assigned to those terms in the Code.

In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Section B.12 of the Code, which I have read and understand, I agree as follows:

1. I hereby grant a worldwide, perpetual, royalty-free, non-exclusive licence:
 - 1.1 to the System Operators and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;
 - 1.2 to the Regulatory Authorities to amend, adapt, combine, abridge, expand or otherwise modify the Modification Proposal at their sole discretion for the purpose of developing the Modification Proposal in accordance with the Code;
 - 1.3 to the System Operators and the Regulatory Authorities to incorporate the Modification Proposal into the Code;
 - 1.4 to all Parties to the Code and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the Code or otherwise, for any purpose arising out of or in connection with the Code.
2. The licences set out in clause 1 shall equally apply to any Derivative Works.
3. I hereby waive in favour of the Parties to the Code and the Regulatory Authorities any and all moral rights I may have arising out of or in connection with the Modification Proposal or any Derivative Works.
4. I hereby warrant that, except where expressly indicated otherwise, I am the owner of the copyright and any other intellectual property and proprietary rights in the Modification Proposal and, where not the owner, I have the requisite permissions to grant the rights set out in this form.
5. I hereby acknowledge that the Modification Proposal may be rejected by the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the Code.