

MODIFICATION PROPOSAL FORM			
Proposer <i>(Company)</i>	Date of receipt <i>(assigned by System Operator)</i>	Type of Proposal <i>(delete as appropriate)</i>	Modification Proposal ID <i>(assigned by System Operator)</i>
EPUKI	10th January 2023	Standard	CMC_02_23
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Harry Molloy		h.molloy@tynaghenenergy.ie	
Modification Proposal Title			
Amendment of Milestones Associated with Substantial Financial Completion			
Documents affected <i>(delete as appropriate)</i>	Section(s) Affected	Version number of CMC used in Drafting	
CMC	Section J2.1.1		
Explanation of Proposed Change <i>(mandatory by originator)</i>			
<p>This modification proposes to amend the milestones required in order to achieve Substantial Financial Completion as set out in the Capacity Market Code (CMC). The current milestones are set out in Section J.2.1.1. of the CMC.</p> <p>These milestones include a requirement for all major contracts, permits, consents and finance documents associated with the delivery of New Capacity to be in full force and effect. However, this requirement (specifically J.2.1.1 (a)) includes a reference to “<i>commissioning</i>”.</p> <p>The Commissioning and Grid Code Testing period of New Capacity delivery happens substantially later on in the process than the Substantial Financial Completion. Therefore, the inclusion of this in a milestone which is 18 months post contract award is pre-emptive and would require detailed discussion with other counterparties such as the Transmission System Operator, which are inappropriate to do at this point.</p> <p>As such we propose to remove the reference to commissioning under this milestone.</p>			
Legal Drafting Change <i>(Clearly show proposed code change using tracked changes, if proposer fails to identify changes, please indicate best estimate of potential changes)</i>			
<p><i>We envision the legal drafting changes associated with this modification to be straightforward:</i></p> <p>J.2.1.1 Subject to paragraphs J.2.1.3 and J.2.1.4, the Implementation Plan in respect of Awarded New Capacity shall include the following Major Milestones (and dates by which they must be achieved):</p> <p>(a) Substantial Financial Completion: this milestone is achieved when:</p> <p>(i) all the Major Contracts and Finance Documents in respect of the construction, commissioning, repowering or refurbishment works for each new or refurbished Generator Unit or Interconnector providing the Awarded New Capacity are in full force and effect;</p>			

<p>Modification Proposal Justification <i>(Clearly state the reason for the Modification)</i></p>
<p>This modification will support the objective of delivering New Capacity through the CRM by removing the commissioning milestone from Substantial Financial Completion. It is currently not possible to achieve this milestone at the time when Substantial Financial Completion would be required, as commissioning takes place later in the capacity delivery programme. All other requirements under J.2.1.1 would remain unchanged.</p>
<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>
<p>(c) to facilitate the participation of undertakings including electricity undertakings engaged or seeking to be engaged in the provisions of electricity capacity in the Capacity Market;</p> <p>(d) to promote competition in the provision of electricity capacity to the SEM;</p> <p>(g) through the development of the Capacity Market, to promote the short-term and long-term interests of consumers of electricity with respect to price, quality, reliability, and security of supply of electricity across the Island of Ireland.</p>
<p>Implication of not implementing the Modification Proposal <i>(State the possible outcomes should the Modification Proposal not be implemented)</i></p>
<p>Failure to implement this modification will result in difficulties for New Capacity seeking to achieve Substantial Financial Completion. These difficulties undermine investor confidence by making it unclear how a unit would be capable of achieving its required milestones.</p>
<p>Impacts <i>(Indicate the impacts on systems, resources, processes and/or procedures)</i></p>
<p><i>Please return this form to the System Operators by email to CapacityModifications@sem-o.com</i></p>

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.