



## Market System Development Plan Consultation

1<sup>st</sup> January 2026 – 31<sup>st</sup> December 2027

### **Abstract**

This document outlines the proposed projects planned to be undertaken by SEMO that relate to the Market Operator Systems for the period between 1 January 2026 and 31 December 2027.

### **COPYRIGHT NOTICE**

All rights reserved. This entire publication is subject to the laws of copyright. This publication may not be reproduced or transmitted in any form or by any means, electronic or manual, including photocopying without the prior written permission of EirGrid plc. and SONI Limited.

### **DOCUMENT DISCLAIMER**

Every care and precaution are taken to ensure the accuracy of the information provided herein but such information is provided without warranties express, implied or otherwise howsoever arising and EirGrid plc. and SONI Limited to the fullest extent permitted by law shall not be liable for any inaccuracies, errors, omissions or misleading information contained herein.

## Table of Contents

1	Introduction and Background.....	3
2	Projects In Flight.....	4
2.1	Scheduling & Dispatch Programme (SDP) .....	4
2.2	Strategic Markets Programme (SMP).....	5
2.3	Data Analytics.....	5
2.4	System Releases, Change Requests and Defects.....	6
2.5	Predictable CapEx Projects.....	11
2.6	Unpredictable CapEx Projects .....	13
3	SEMO Known Issues Report (KIR) .....	13
4	Future Projects .....	13
4.1	Capacity Remuneration Mechanism (CRM27+) .....	14
4.2	Long Duration Energy Storage (LDES) .....	14
4.3	Externally Led Initiatives with Potential Impact to SEMO Market Systems .....	14
5	Consultation Feedback and Next Steps .....	15

# 1 Introduction and Background

The purpose of this consultation is to invite comments on the draft Market Systems Development Plan (MSDP) for 2026 and 2027. Responses should be sent, in electronic form by close of business on 8<sup>th</sup> December 2025 to [info@sem-o.com](mailto:info@sem-o.com) with the subject line “MSDP 2026/2027”. All responses may be published unless the respondent clearly indicates that their response is confidential. All responses will be shared with the Regulatory Authorities.

SONI and EirGrid, in their capacity as licenced Market Operator in Northern Ireland and Ireland respectively (together being the Single Electricity Market Operator ‘SEMO’), are required to produce an MSDP for approval by the Utility Regulator (UR) and the Commission for Regulation of Utilities (CRU).

This draft MSDP developed by SEMO is for the period from 1st January 2026 to 31st December 2027. It identifies predominantly the market facing changes that SEMO believes will facilitate the effective operation, administration, and development of the SEM, that impact on the SEMO systems, and proposes what investment projects are essential to support the needs of the market. The scope of this consultation and the MSDP is limited to the direct impact of relevant projects on the SEMO Market Systems. This draft MSDP builds upon information which has already been included in the previously published [MSDP for the period 1st January 2024 to 31st December 2025](#).

SEMO’s ability to advance projects noted in the MSDP is dependent on sufficient revenues having been approved by the RAs, where required, timely RA decisions and the feedback from industry as part of any project specific consultations. The [SEMO Price Control \(PC\) for the period 2024 to 2029](#) is a key enabler in this regard and detail in relation to most projects in this MSDP was consulted upon as part of the Price Control process.

There are a number of existing channels for further updates on system developments. These channels include:

- Market Operator User Group (MOUG);
- Trading and Settlement Code (T&SC) Modifications Committee;
- Future Power Markets (FPM) workshops and Newsletter; and
- SEMO workshops;

Updates on events can be found on the [SEMO website](#) and through [Market Messages](#).

In Section 2, this document provides background information regarding projects that are currently ‘in flight’. This includes the projects that SEMO is committed to the delivery of and the defects and Known Issues that have been committed to a specific market release. Section 3 provides information on the Known Issues that have not yet been committed into a specific market release at the time of publication. Section 4 provides information on future projects.

## 2 Projects In Flight

There are multiple strategic programmes underway which support ambitions towards 80% renewable electricity, focussing in particular on how power markets will change. There are monthly industry fora ([Future Power Markets Workshops](#)) for stakeholders and market participants that provide a status update on our key programmes (described below). There is also a dedicated [monthly newsletter](#). While the full scope of these strategic programmes is included below for context, this consultation is limited to those aspects that drive change to the SEMO Market Systems.

As part of our ongoing commitment to operational excellence and transparency, we continuously refine our project and programme management methodologies. Recognising the importance of alignment and consistency, we are standardising our approach to outline programmes and projects. This unified framework aims to establish clearer communication and better alignment between our organisation, the SEM Committee (SEMC) and Regulatory Authorities, fostering a shared understanding of our initiatives.

Figure 1 describes the framework and expected outcomes at each step.

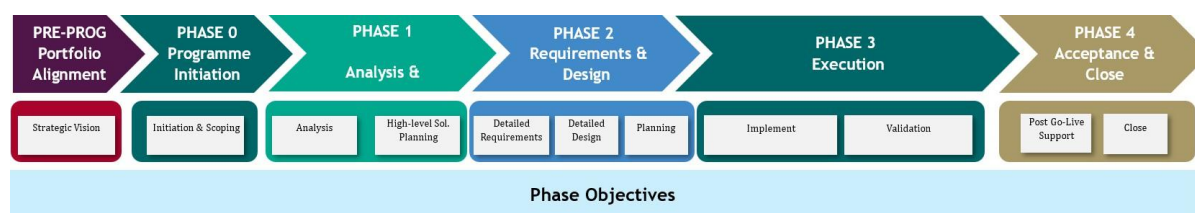


Figure 1 - Programme and Project Phases

### 2.1 Scheduling & Dispatch Programme (SDP)

The SDP is an All-Island Programme, the governance and revenue recovery arrangements for which are described in [SEM-24-034](#). The SDP is in active implementation. It aims to enhance the technology and operational capability of scheduling and dispatch across Ireland and Northern Ireland. The SDP has engaged with industry and Regulatory Authorities in monthly meetings to keep them informed and allow them to input across the key initiatives.

These key focus areas include:

- Integration of Energy Storage Power Stations (ESPS);
- Enablement of Non-Priority Dispatch Renewable Generators (NPDR);
- Integration of Synchronous Condensers and emerging Regional Inertia Requirements; and
- Enhanced scheduling of reserve services from newer generation types.

Changes to the market systems are required to facilitate registration, scheduling, dispatch, pricing and settlement enhancements for ESPS, NPDR and synchronous condensers.

## 2.2 Strategic Markets Programme (SMP)

The SMP, also an All-Island Programme, to design and deliver revised market arrangements, including revisions to the Trading & Settlement Code, Grid Codes, and licences, as well as supporting IT systems and services. The SMP has been established by EirGrid and SONI to ensure that the necessary systems and processes are in place to underpin the following three pillars:

- EU Integration (recoupling markets and systems);
- SEM-GB Trading Arrangements; and
- Balancing Market Reform (BMR) (enabling flexible technology).

Changes to market systems are required to facilitate the registration, scheduling and settlement processes for the Celtic Interconnector. In addition, system enhancements are required to support Multi-NEMO Arrangements and to introduce new workflows and interfaces that ensure compliance with EU regulations on co-ordinated capacity calculation and market coupling.

## 2.3 Data Analytics

SEMO continues to invest in the Enterprise Data Hub (EDH) which has recently been deployed on a new resilient platform. In addition, development, test and staging environments have been deployed to enable the rapid and systematic development of use cases prioritised by SEMO teams.

This capability will subsequently be deployed on a unified, end-to-end data and analytics platform (Microsoft Fabric) which will streamline the data lifecycle. In addition, we will integrate with Microsoft Purview which will deliver a data governance and compliance platform that will enable SEMO to discover, classify, protect, and manage data on the EDH. This includes tools for:

- Data governance (cataloguing, lineage tracking, metadata management);
- Security and compliance (sensitivity labels, data loss prevention, audit trails);
- Risk management (e.g. regulatory alignment such as GDPR etc).

A number of use cases have already been successfully deployed to the production EDH, including:

- Enhanced Market Monitoring; and
- Quarterly Fuel Mix Disclosure (FMD) Report.

These use cases provide deeper insights to our data (Enhanced Market Monitoring) and automation of complex manual processes (FMD Report).

In addition, other use cases are being progressed, for example the Annual Fuel Mix Disclosure Report which will leverage functionality already developed for the quarterly report and will result in time saving, increased accuracy and elimination of manual errors.

We are compiling additional use cases which will be prioritised for delivery by SEMO operational teams. Table 1 below provides further examples of use cases and functionality that could be delivered to SEMO.

<b>Ad-hoc analysis of large market datasets</b>	Ability to execute ad-hoc analysis on large SEMO datasets e.g. matching and analysing pricing and imbalance data to identify trends and anomalies.
<b>Market Commercial &amp; Technical Offer Analytics</b>	Extend market monitoring detailed analysis across all markets to identify new patterns and insights. For example, link ex-ante and balancing market datasets and extend market monitoring analyses so that insights have a wider focus.

*Table 1 – Examples of additional EDH uses cases.*

Other ongoing activities in data analytics include:

- Visual Tool Migration: Standardised visualisation capability, consolidation and integration using Microsoft PowerBI. Completion targeted for Q1 2026.
- Artificial Intelligence (AI): Building on the deployment of Copilot Chat in 2025 with the deployment of M365 Copilot in 2026, to advance functionality and integration with M365 applications. Future AI capability and development will be informed by prioritised use cases put forward by the business and compliance with relevant legislation and policies.

## 2.4 System Releases, Change Requests and Defects

The central market systems are typically updated twice per year. A number of Change Requests (CRs), Known Issues and defect fixes are included in each 'system release'. CRs are used when functionality is required which is not in the current Functional Description. CRs can be a result of modifications to the Trading and Settlement Code, accommodating changes in other markets timeframes (such as ex-ante) or improvements to market functionality identified by SEMO. SEMO maintains a prioritised backlog of CRs and defects. The All-Island Programmes, such as SDP, also have CRs on the market systems. CRs are reviewed with the vendor, and the release contents are agreed with the vendor and SEMO management taking into account release capacity available, size and priority. A defect is where we have identified that the market systems are not aligned with the functional requirements.

SEMO follows the Information Technology Infrastructure Library (ITIL) Incident Management and Problem Management processes. In this an incident is defined as an "event which causes or may cause an interruption to or a reduction in the quality of a service". A problem is defined as a "cause of one or more incidents". The Known Issues Report and defect fixes are all tracked as ITIL problems in SEMO and are the source for the defect fixes which are then included in a release. A defect will get added to the Known Issues Report (KIR) where it has potential to impact market participants.

The CRs in Release O and P represent a committed schedule of changes which are forecast to go-live provided that implementation and testing is successful. Release O and Release P will be deployed at the same time as they will be delivered as one software package from the Market Systems vendor. Go live is forecast in Q2 2026.

The subsequent Releases, Q and R, have not yet been finalised, so the candidate CRs are described below. The target go live date for Release Q is Q4 2026. Releases R and S, which are targeted for 2027,

will be finalised in early 2026. Participants will be advised of the contents of the releases in 2027 through the Market Operator User Group (MOUG).

### Market Management System (MMS) Release O

The focus of Release O is the second tranche of the Schedule and Dispatch Programme (SDP).

The second tranche of SDP will include:

- Fast Frequency Response (FFR) (SDP-03): optimisation of FFR services in the MMS. This will require a FFR minimum reserve requirement to be part of the scheduling process.
- Reserve Services (SDP-05): expand the unit types which are capable of dispatching reserve to include wind and solar and enable those unit types to submit additional data to support this reserve service.
- Synchronous Condensers (SDP-06): Ensure provision of inertia and reactive power constraints are met as part of scheduling.

The below defects are scheduled to be remedied in Release O.

Release O Defect Scope			
Defect title	Business Owner	Status	On Known Issues Report
ISEM shipping agents incorrectly included in Credit runs	Settlement	Release O	No
Settlement pre-calculations running even though automatic calculation has correctly exited due to more than 7 bill cases running	Settlement	Release O	No
Settlement Issues running Credit Assessment report	Settlement	Release O	No
Testing tariff function does not allow for inclusion of Demand Side Units (DSU)	Settlement	Release O	No

Table 2 –Release O Defect Scope

One CR will be included in Release O in addition to second tranche of SDP.

CR title	Description
CR-261 Upgrade of modelling software and optimisation solver in the market.	The third-party software used in the Market Systems to model and optimise solutions for the Network Constrained Unit Commitment function (NCUC) and Network Constrained Economic Dispatch (NCED) function needs to be upgraded to remain in support.

	NCUC and NCED support the market scheduling applications. Note: market re-certification is not required in this instance as the market modelling and optimiser software itself is not governed by market codes and has never been in the scope of market certification.
--	---

Table 3 – Release O Change Request Scope

## Market Management System Release P

There are no defects included in Release P. The below CRs are included.

Change Request Title	Description
<b>CR-332 Celtic Registration</b>	<p>The purpose of this CR is to request the necessary Market Application changes within the Market Systems to enable scheduling, imbalance pricing and general operation of a new interconnector (Celtic) within the ROI jurisdiction, in line with that of the existing Greenlink and EWIC interconnector.</p> <p>*Includes CR-317 “Enhance the Dispatch Scheduling Initialization (DSI) function to use the default Interconnector Reference Programme (ICRP)” and CR-311 “Interconnector MMS correction”</p>
<b>CR-330 multi-NEMO arrangement</b>	<p>As a result of the re-integration of the SEM into continental Europe with the Celtic Interconnector, the Capacity Allocation and Congestion Management (CACM) regulation sets out the rules for designation of NEMOs (Nominated Electricity Market Operators) in each bidding zone. Under these rules more than one NEMO may operate within a bidding zone. This is known as “multi-NEMO arrangements” (MNA) and this CR is to facilitate MNA within the Market Systems.</p>
<b>CR-338 Net Position Forecast</b>	<p>As a result of the re-integration of the SEM into continental Europe with the Celtic Interconnector, the Capacity Allocation and Congestion Management (CACM) regulation mandates that every EU bidding zone border must be assigned to a Capacity Calculation Region (CCR) and participate in a coordinated capacity calculation (CCC) process. As the new SEM-FR bidding-zone border has been assigned to Core CCR by ACER, EirGrid and SONI will both join the Core CCR to comply with CACM. One of the inputs received from the Core CCR is a Net Position Forecast for all interconnectors with boundaries with one or more of its bidding-zones. For SEM, this includes the Celtic, Greenlink, Moyle and EWIC ICs. This integrates the Net Position Forecast into the Market Systems.</p>

<b>CR-302 Change fatal error to warning</b>	In the event of an import price block from NESO for interconnector trading, which is less than an export price block, validation fails on the Market Systems. This is to change the failure from a fatal error to a warning.
<b>CR-323 Array Monitoring</b>	Monitor the utilisation of data arrays in the Market Systems and provide alerts when defined thresholds are reached.
<b>CR-329 Improve usability of the Physical Notification (PN) display</b>	Improve the Physical Notification display in order to improve assessment of “Energy Storage Power Station” ESPS units’ PN in the Market Systems.

*Table 4 – Release P Change Request Scope*

## Market Management System Release Q and R

SEMO maintains a backlog of CRs which are submitted to the Market System vendor for inclusion in the releases. Delivery of these items is dependent on our Market System vendor’s available capacity and alignment with the jointly agreed release roadmap. These CRs provide incremental improvements and operational efficiencies but are not considered critical path for regulatory compliance. While there is a backlog of CRs, SEMO can expedite urgent CRs where necessary, noting that prioritisation and scheduling will be determined through the established governance process and capacity planning with our Market System vendor.

The table below describes the CRs which are candidate CRs for inclusion in Release Q or R.

Change Request Title	Description
<b>CR-305 Mod_17_22 System Action Repricing</b>	Amend the calculation of Price Marginal Energy Action (PMEA); the calculation should now incorporate the maximum of Strike Price (PSTR) and Market Back Up Price (PMBU), instead of Price Cap (PCAP), where no energy action has been identified in the direction of the Net Imbalance Volume.
<b>CR-292 Change to Group Constraints Editor and associated displays</b>	Improvements to Group Constraints Editor (GCE), enhancing reliability and allowing copy/paste of Transmission Constraint Groups data to reduce control room workload.
<b>CR-263B Retain Resource ID</b>	Retain Resource ID when transferring ownership between participants, ensuring continuity of data and avoiding unnecessary deregistration.
CR-320 Tech Refresh (excl database)	Update of various 3rd party software on the Market System platform
CR-317 DSI Default ICRP (Interconnector Reference Programme) Capability	In the absence of an ICRP, the Market System will use default values to allow workflow execution to continue.
CR-214 ISEM CSB QA/QC Screen	Provide additional functionality: to allow comparison of different settlement run types (initial, indicative, M+4 etc.), display interval details for pre and post running of bill case, allow new drop down to select bill case type for all participants.
CR-241a QBOA Undo Scenario 1	Update the Bid Offer Acceptance calculation logic in certain Market System functions to cater for specific scenarios which were not covered in

	the initial ISEM design. These scenarios, which are possible under the Trading and Settlement code, either fail to be calculated in the current system or result in incorrect BOA volumes. This CR relates to the scenario where a new Dispatch Instruction in Instruction Profiling is issued before completion of previous Dispatch Instruction profiling. These scenarios, which are possible under the Trading and Settlement code, either fail to be calculated in the current system or result in incorrect BOA volumes.
CR-293 Moyle Single Pole Outage	In the event of a Moyle single pole outage, allow the Control Room to adjust minimum and maximum export capacity on the Market Systems
CR-295 Unit Under Test Approval	Create a new table to allow the Control Room better to manage physical notifications while a unit is under test
CR-300 Fixed Generation Display	Create a display to allow the Control Room to see all fixed generation units and their MW contributions for both EirGrid and SONI.
CR-309 Disable Interruptible Load Feed	Interruptible load is used as a workaround to model reserve from batteries in both the Energy Management Systems and the Market Systems. This feed needs to be disabled on the Market Systems as it will be provided by a new system.
CR-278 Correction to short pay in CSB	To update the short-pay process in the current Settlement systems to better align with the TSC.
CR-321 WPRED Minimum Forecast	Allows the Control Room to determine the total wind forecast for all units within each interval for selected forecast providers
CR-336 Non-Market Solar Units (DSI Scaling)	Include non-market solar units within the Wind Forecast scaling logic
CR-324 Remove from Dispatch	Align the Market System with the Energy Management System for units that have been removed from dispatch.

Table 5 – Backlog of Change Requests

A list of defects has been submitted to the vendor for assessment for Release Q, with the aim of scheduling resolution within future releases.

These candidate defects are shown in the table below.

Release Q Defect Candidates			
Defect Scope	Business Owner	Status	On Known Issues Report
Application of incorrect Fixed Costs (Multiple complex COD submissions for a single trade day)	Settlement	Release Q candidate	Yes
Incorrect Dispatch Quantity calculation for Interconnectors, feeding to settlement	Settlement	Release Q candidate	Yes
Long Notice Adjustment Factor (LNAF) and System	System Operations	Release Q candidate	Yes

<b>Imbalance Flattening Factor (SIFF) – Parameter defect in the Scheduling Process</b>			
<b>A change in the Instruction Profile was not captured in the ordering profile, resulting in incorrect QBOA values. for wind units</b>	Settlement	Release Q candidate	Yes
<b>Incorrect QBOA for a particular GU</b>	Settlement	Release Q candidate	No
<b>QBOA calculation for a particular DSU</b>	Settlement	Release Q candidate	No
<b>QABCURL differences on the 25/01/2024 for NI Wind units</b>	Settlement	Release Q candidate	No
<b>Error in slope messages for certain units</b>	Settlement	Release Q candidate	No
<b>Incorrect calculation of Net Imbalance Volume for Wind Units after an Imbalance Pricing outage</b>	Trading/pricing	Release Q candidate	Yes
<b>Temporary Emergency Generation Units not appearing correctly in merit order on the Market System</b>	System Operations	Release Q candidate	No

Table 6 – Release Q Defect Candidates

## 2.5 Predictable CapEx Projects

16 Predictable Capex projects were identified as being necessary projects in the price control decision [SEM-25-034](#). Table 7 below provides an update on the progress for each of the 16 projects. Further information on each of these projects is outlined in the price control draft determination [SEM-25-002](#).

Predictable CapEx Projects		
Project Name	Description	Phase
<b>SharePoint Document Management System</b>	Replace the current document management tool used to manage documentation relating to the duties performed under the market codes.	Portfolio Alignment
<b>Audit and Compliance Tool</b>	Implement a tool to support SEMO's Governance, Risk Management and Compliance obligations	Portfolio Alignment
<b>Data Centre Transformation</b>	Upgrade existing data centre facilities	Portfolio Alignment
<b>Market Technology Enablement</b>	The SEM PC identified four projects here:  1. SEMO Market Archive (see above)	Portfolio Alignment

	<ol style="list-style-type: none"> <li>2. Market Environments (review existing market environments and recommend changes as appropriate)</li> <li>3. Market Systems Performance Assessment (identify and manage performance KPIs)</li> <li>4. Test Automation (development of additional automated test capabilities)</li> </ol>	
<b>Advanced Cyber Maturity</b>	Improve SEMO's cybersecurity position	Portfolio Alignment
<b>Data, AI, and Analytics</b>	Improve access to underlying business data	Portfolio Alignment
<b>Digital Workplace</b>	Several initiatives to improve digital capabilities of SEMO	Portfolio Alignment
<b>Integration Modernisation</b>	Upgrade of existing interfaces and integration platform	Portfolio Alignment
<b>IT Service Transformation</b>	Improved automation of IT support processes	Portfolio Alignment
<b>Market Infrastructure</b>	<p>The SEM PC identified 3 projects here</p> <ol style="list-style-type: none"> <li>1. Virtualization (see Virtual Platform above)</li> <li>2. Backup solution (replace existing data backup solution)</li> <li>3. Infrastructure Refresh (replace out of warranty hardware)</li> </ol>	Portfolio Alignment
<b>SEMO Market Archive</b>	The objective of this project is to reduce the amount of data stored on our operational systems. A proof of concept was completed with our vendor and further design is ongoing.	Requirements and Design
<b>Database Recovery Appliance</b>	This project is to ensure that SEMO can restore data on its market systems in line with its regulatory obligations. This project is in the Requirements and Design phase. This is funded under the SEMO Price Control Market Infrastructure.	Requirements and Design
<b>SEMO End of Life Network Equipment Replacement</b>	The objective of this project is to replace existing end of life network equipment. Hardware orders have been placed. This is funded under the SEMO Price Control Market Infrastructure.	Execution
<b>Virtual Platform Upgrade</b>	Ensure the virtual platform which underpins the market systems remains up to date and in support. This is funded under the SEMO Price Control Market Infrastructure.	Execution
<b>Laptop rollout</b>	Update all SEMO user PCs. This is funded under the SEMO Price Control Digital Workplace.	Execution
<b>SEMO Finance System/ERP</b>	Upgrade of SEMO ERP system from Dynamics AX to Microsoft D365	Acceptance & Close

Table 7 - Predictable CapEx Projects

## 2.6 Unpredictable CapEx Projects

SEMO was provided an allowance for unpredictable CAPEX in [SEM-25-034](#). This is an allowance for projects which were not foreseen at the time of the price control process. To date one project has been identified which will be funded from this allowance, as described in Table 8.

Unpredictable CapEx Projects		
Project Name	Description	Phase
<b>Dedicated pre-production Registration environment</b>	Before units are added to the live Market Systems they are verified. This currently happens in the same Market test environment, which is used for acceptance and user testing, which results in delays to that testing. This project is to build a new, separate pre-production test environment.	Portfolio Alignment

Table 8 – Unpredictable CapEx Projects

## 3 SEMO Known Issues Report (KIR)

This section includes information regarding the Known Issues that are planned for resolution in a specific market release. The KIR is published monthly by SEMO and includes information regarding defects that impact the market participants. Further description of these Known Issues can be found in the KIR, published monthly, under [General Publications](#) on the SEMO website.

At the time of publication, there are 16 defects listed on the KIR, with two planned to be resolved in the upcoming release N as described in Section 2.4 above. There are 5 defects that are on the Known Issues Report that are provisionally planned for Release Q. Of the 9 remaining defects, one defect (REPT\_082 PUB\_AvgOutturnAvail - publishing data for de-registered units), is not applicable to be resolved in a release because a workaround is in place to cross check the REPT\_082 against the PUB\_DailyRegisteredUnits report. This report lists registered units. As a result, SEMO proposes to close this item in the KIR.

SEMO welcomes any feedback on the necessity to provide a system-based resolution for items not already committed to in a specific market release for the reported Known Issues. These Known Issues are to be considered for prioritisation holistically alongside the future pipeline projects listed in Section 4, bearing in mind the challenges and limitations for delivering all projects. SEMO will take the feedback received on board when making key decisions regarding the future prioritisation of projects.

## 4 Future Projects

All 'future projects' are currently at Phase 1 (Analysis and Planning). Some of these projects are pending a regulatory direction and/or approval of funding.

#### 4.1 Capacity Remuneration Mechanism (CRM27+)

There are significant CRM developments in train which may result in systems changes. These developments include policy regarding cross-border participation in the capacity market and a renewed State-Aid application which will entail a review of the current CRM. No specific system impacts are identified at this time however SEMO will ensure these are communicated through the relevant channels.

#### 4.2 Long Duration Energy Storage (LDES)

Under LDES Developments (an EirGrid only development), there are current proposals (consultation Q4 2025) that may result in system changes for SEMO market processes. Additionally, these proposals will require that the relevant codes of practice, the Balancing Market Principles Code Of Practice (BMPCOP) and the Bidding Code Of Practice (BCOP), are updated by the Regulatory Authorities to account for LDES relevant technologies and bidding behaviour. Any future system changes that may be required will be scoped once a final decision is available on the LDES service contractual and operational requirements (i.e. CRU decision on LDES Contractual Design in Q4 2026).

#### 4.3 Externally Led Initiatives with Potential Impact to SEMO Market Systems

As outlined in the [Shaping our Electricity Future \(ver1.1.\)](#), multi-year plans and latest [TSO-DSO multi-year plans \(2025-2029\)](#), there are several initiatives or recommendations that are being led outside of SEMO. These TSO or Regulatory Authorities led projects may have an impact on SEMO systems. It is not possible at this stage, however, for SEMO to provide detail on the impacts and therefore requirements on potential changes to the SEMO systems or to confirm if such changes will be required in the two-year time horizon of this MSDP. Table 9 outlines a non-exhaustive set of initiatives that may have some impact.

Externally Led Initiatives	
Item	Description
<b>TSO Demand Side Strategy</b>	The CRU are leading the <a href="#">National Energy Demand Strategy (NEDS)</a> in Ireland and the Department for the Economy in Northern Ireland are leading the <a href="#">Energy Strategy</a> (including demand side flexibility elements) in Northern Ireland. Within this context, the TSOs, EirGrid and SONI, have published a TSO Demand Side White Paper outlining that a demand side implementation plan will be developed. Within this implementation plan it is expected that a number of changes will be proposed which impact on SEMO registration systems, T&SC, Grid Code, Market Monitoring, data exchanges with SEMO systems, and Settlement Systems.
<b>Energy Payments for Demand Side Units (DSUs)</b>	The SEM Committee consulted on a revised Phase 1 solution for DSU energy payments in <a href="#">SEM-24-046</a> . The approach for energy payments is still to be confirmed, but it is expected that there will be requirements for SEMO to implement.
<b>Sharing of Maximum Export Capacity (MEC)/Hybrids</b>	The CRU published a consultation paper on the Sharing of MEC behind a single connection point earlier this year, which outlined that the TSO and DSO are expected to provide a roadmap for publication alongside the decision. Further clarification will be available on the likely developments, changes, and timelines following publication of that decision paper. Based on engagements

	to date, this project will likely impact SEMO Registration Systems, T&SC, Grid Code, Market Monitoring, and potentially Settlement Systems.
<b>TSO-DSO Operating Model</b>	Within EirGrid and ESB Networks' <a href="#">TSO-DSO multi-year plans</a> , a plan for the development of a TSO-DSO Operating Model for coordination of the operation of resources connected to the distribution system is expected to be impactful across a number of areas including the T&SC, Grid Code, SEMO systems, Market Monitoring, data exchanges and interfaces, and integration. For more information, please refer to the most recent <a href="#">TSO-DSO Joint System Operator Programme Multi-Year Plan</a> , and <a href="#">public webinar materials</a> outlining the high-level design principles relevant to this operating model.

*Table 9 – Externally Led Initiatives with Potential Impact to SEMO Market Systems*

## 5 Consultation Feedback and Next Steps

Consultation feedback is invited from interested parties by close of business on Monday 8<sup>th</sup> of December. Feedback should be submitted to [info@sem-o.com](mailto:info@sem-o.com) with the subject line “MSDP 2026/2027”.

If confidentiality is required, this should be made explicitly clear in the response, otherwise submissions may be published on the SEMO website. Please note that, in any event, all responses will be provided to the Regulatory Authorities.

SEMO will consider all comments received and provide a proposed, revised MSDP to the Regulatory Authorities for their consideration and approval, along with a consultation report.

In addition to the feedback on the MSDP, SEMO welcomes feedback on the necessity to provide a system-based resolution for items not already committed to in a specific market release (Sec. 2).

Following approval, SEMO will publish the Market Systems Development Plan (MSDP) for 2026 and 2027 and issue a Market Message notification.