



# CMC\_22\_25: Termination and re-entry

21<sup>st</sup> January 2026

CMC Mods Workshop 47

## Explanation of Proposed Change

- **Termination before and after SFC**
- J.6.1.10 (a): Termination before SFC continues to allow unrestricted re-entry into future auctions after the Capacity Year to which the unit was first contracted to deliver.
- J.6.1.10 (b): Termination after SFC restricts the unit from participating in the next two T-1 auctions that are held in the two years after termination.
- **Definition of “same capacity”**
- J.6.1.10A defines “same capacity” by planning permission, connection agreements, technology class and land location.
- **Exception for terminated ILCs**
- J.6.1.10B: Where an ILC unit terminates and reverts to being considered Existing Capacity, definition of “same capacity” introduced in J.6.1.10A does not apply, and unit can re-enter into the T-1 auction for the Capacity Year.

## Modification Proposal Justification

- If CMC\_22\_25 is not implemented, the risk of gaming exists whereby a unit which terminated after achieving SFC can re-enter the same capacity into the next available T-1 auction, potentially to avail of a higher payment price.
- The proposal seeks to mitigate this gaming risk by disincentivising the termination of Awarded Capacity by ensuring an avenue for re-entry shortly after termination does not exist for mature projects.

## Worked Example 1 – termination before SFC

- Background (all details are hypothetical)**

<b>Participant Name</b>	Unit X
<b>Project</b>	150MWd gas plant
<b>Auction and Auction Date</b>	T-4 2030/31 held on 11 March 2027
<b>Auction Results Publication Date</b>	06 May 2027
<b>Last date for achieving SFC</b>	06 November 2028 (18 months after 06 May 2027)
<b>Capacity Payment Price</b>	€100,000/MWd/per year

- Hypothetical Scenario:**

- Unit X terminates on 01 March 2028, before achieving SFC.

- Result:**

- J.6.1.10 (a) applies and Unit X will be eligible to participate in the next T-1 (or other) auction, with the same capacity that was terminated, provided that the Application for Qualification it submits is for a Capacity Year after the Capacity Year to which the terminated Awarded Capacity first applied (current J.6.1.10 clause).

# Worked Example 2 – termination after SFC (two auction ban)

- **Background (all details are hypothetical)**

<b>Participant Name</b>	Unit X
<b>Project</b>	150MWd gas plant
<b>Auction and Auction Date</b>	T-4 2030/31 held on 11 March 2027
<b>Auction Results Publication Date</b>	06 May 2027
<b>Last date for achieving SFC</b>	06 November 2028 (18 months after 06 May 2027)
<b>Capacity Payment Price</b>	€100,000/MWd/per year

- **Hypothetical Scenario:**

- T-1 2029/30 takes place on 23 July 2029.
- T-1 2030/31 takes place on 23 July 2030.
- T-1 2031/32 takes place on 23 July 2031.
- Unit X achieves SFC on 06 May 2028 and terminates on 07 August 2028.

- **Result:**

- J.6.1.10 (b) applies and Unit X will not be eligible to participate in the T-1 2029/30 and T-1 2030/31 auctions with the same capacity that was terminated (if the Qualification Application Date for the T-1 2029/30 has not passed) as they are T-1 auctions held in the two years after termination.
- Unit X can participate in the T-1 2031/32 auction (and any T-4 auction held after termination).

## Worked Example 3 – termination after SFC (one auction ban)

- **Background (all details are hypothetical)**

<b>Participant Name</b>	Unit X
<b>Project</b>	150MWd gas plant
<b>Auction and Auction Date</b>	T-4 2030/31 held on 11 March 2027
<b>Auction Results Publication Date</b>	06 May 2027
<b>Last date for achieving SFC</b>	06 November 2028 (18 months after 06 May 2027)
<b>Capacity Payment Price</b>	€100,000/MWd/per year

- **Hypothetical Scenario:**

- T-1 2029/30 takes place on 23 July 2029.
- T-1 2030/31 takes place on 23 July 2030.
- T-1 2031/32 takes place on 23 July 2031.
- Unit X achieves SFC on 06 May 2028 and terminates on 07 May 2029.

- **Result:**

- J.6.1.10 (b) applies and Unit X will not be eligible to participate in the T-1 2030/31 auction with the same capacity that was terminated as it would be the only T-1 auction held in the two years after termination that Unit X could participate in, given the Qualification Application Date for the T-1 2029/30 would have elapsed.
- Unit X can participate in the T-1 2031/32 auction (and any T-4 auction held after termination).

# Worked Example 4 – termination after SFC (no auction ban)

- **Background (all details are hypothetical)**

<b>Participant Name</b>	Unit X
<b>Project</b>	150MWd gas plant
<b>Auction and Auction Date</b>	T-4 2030/31 held on 11 March 2027
<b>Auction Results Publication Date</b>	06 May 2027
<b>Last date for achieving SFC</b>	06 November 2028 (18 months after 06 May 2027)
<b>Capacity Payment Price</b>	€100,000/MWd/per year

- **Hypothetical Scenario:**

- No T-1 auction takes place in 2029.
- No T-1 auction takes place in 2030.
- T-1 2031/32 takes place on 23 July 2031.
- Unit X achieves SFC on 06 May 2028 and terminates on 07 May 2029.

- **Result:**

- Given there were no T-1 auctions held in the two years following termination (in either 2029 or 2030), J.6.1.10 (b) still applies, but to no effect.
- Unit X can participate in the T-1 2031/32 auction (and any T-4 auction held after termination).

## Proposed Legal Drafting

- J.6.1.10 Where Awarded Capacity is terminated:
  - a) before achieving Substantial Financial Completion, then that shall not preclude a Participant submitting an Application for Qualification for the same capacity for a Capacity Year after the Capacity Year to which the terminated Awarded Capacity first applied; or
  - b) after achieving Substantial Financial Completion, then that shall preclude a Participant submitting an Application for Qualification for the same capacity for T-1 Capacity Auctions held in the two years following termination;
    - i. the first such Capacity Auction being the first T-1 Auction where the Qualification Application Date falls after the effective date of the termination.
- J.6.1.10A For the purpose of J.6.1.10, same capacity means:
  - a) capacity which has the same, modified, or reissued planning permission or Connection Agreement(s) or Connection Offer(s);
  - b) capacity with the same technology class; and
  - c) capacity on the same land area or on an adjacent land area.
- J.6.1.10B For the purpose of J.6.1.10, the definition of same capacity set out in J.6.1.10A shall not apply to New Capacity that is repowered or refurbished capacity based on Existing Capacity that has terminated and is then considered Existing Capacity.