

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>
EirGrid / SONI	26 th February 2026	Standard	CMC_03_26
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Joseph Kavanagh		Capacitymarket@sem-o.com	
Modification Proposal Title			
Section F Amendments			
Documents affected <i>(delete as appropriate)</i>	Section(s) Affected	Version number of CMC used in Drafting	
Capacity Market Code	Section F.3 Section F.5	V.14	
Explanation of Proposed Change <i>(mandatory by originator)</i>			
<p>This modification proposes to amend Section F.3 of the Capacity Market Code ('CMC' or 'the Code') to provide that the System Operators ('SOs') may propose the postponement of a Capacity Auction by written notice to the Regulatory Authorities ('RAs') in instances where the RAs have not provided the auction Demand Curve to the SOs by ten Working Days prior to the Capacity Auction Submission Commencement date.</p> <p>Presently, Section F.3.1.6 provides that the SOs shall request a postponement in such events. In the SOs' view this provision is overly proscriptive. There are circumstances where it would not be appropriate to propose a delay and where doing so could have implications for the operation of the Capacity Market (unnecessarily delaying a Capacity Auction could result in required capacity not being delivered when it is required for a Capacity Year which could impact Security of Supply).</p> <p>As such, the SOs are of the view that the CMC should provide flexibility for the SOs to exercise their discretion as to whether a request for postponement of a Capacity Auction is required or appropriate in individual circumstances. The SOs note that the existing provisions under Section D.2 would continue to provide recourse to amend a Capacity Auction Timetable (including delay of a Capacity Auction) as required.</p> <p>In amending Section F, the SOs also wish to take this opportunity to amend a typographical error in Section F.5 regarding Publication of the Final Auction Information Pack ('FAIP'). Presently, F.5.1.3(q) provides that the FAIP shall include '<i>the final Capacity Auction Threshold for the Capacity Auction</i>'. The 'Capacity Auction Threshold' is neither a defined term nor an artifact under the CRM. F.5.1.3(q) should refer to inclusion of the Capacity Aggregation Threshold for a Capacity Auction which is a defined term under the CMC. This was introduced in error in the legal drafting for implemented modification CMC_01_22 [Approved Legal Drafting SEM-22-028(b)]. Amendment to the correct reference is necessary to ensure compliance with the CMC and avoid ambiguity regarding the contents of the FAIP.</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>F.3 DEMAND CURVE</p> <p>F.3.1.6 If the Regulatory Authorities have not provided the Demand Curve to be used in a Capacity Auction to the System Operators ten Working Days prior to the date</p>			

of the Capacity Auction Submission Commencement specified in the applicable Capacity Auction Timetable, then the System Operators ~~shall~~ **may** propose the postponement of the Capacity Auction by written notice to the Regulatory Authorities.

F.5 PUBLICATION OF FINAL AUCTION INFORMATION PACK

F.5.1.3 The Final Auction Information Pack for a Capacity Auction shall comprise:

- (a) the final Demand Curve for the Capacity Auction provided by the Regulatory Authorities under section F.3;
- (b) the final Auction Price Cap for the Capacity Auction (in Euro and Sterling);
- (c) the final Existing Capacity Price Cap for the Capacity Auction (in Euro and Sterling);
- (d) for each Locational Capacity Constraint applicable to the Capacity Auction:
 - (i) the final Locational Capacity Constraint Information; and
 - (ii) the final Capacity Market Units that have Qualified for the Capacity Auction and that are in the System Operators' reasonable opinion capable of contributing to satisfying the constraint;
- (e) the final Capacity Auction Timetable as it relates to events after the publication of the Final Auction Information Pack (subject to section D.2);
- (f) details of what is required of Participants participating in the Capacity Auction in order to submit Capacity Auction Offers;
- (g) the final Allowed Timeframe;
- (h) the final Annual Capacity Payment Exchange Rate to be used by the System Operators in conducting the Capacity Auction and applicable to Awarded Capacity in the Capacity Auction;
- (i) the final Capacity Requirement to be used in the Capacity Auction;
- (j) at the date of the Final Auction Information Pack, how much Awarded Capacity has already been procured for the relevant Capacity Year
- (k) the final Annual Stop-Loss Limit Factor applicable to Awarded Capacity allocated in the Capacity Auction;
- (l) the final Billing Period Stop-Loss Limit Factor applicable to Awarded Capacity allocated in the Capacity Auction;
- (m) in respect of Performance Securities:
 - (i) the final Performance Security Posting Dates/ Events applicable to Awarded New Capacity allocated in the Capacity Auction; and
 - (ii) for each Performance Security Posting Date/ Event, the final €/MW rate to be applied in setting Performance Securities applicable to Awarded New Capacity allocated in the Capacity Auction;
- (n) the final €/MW fee rates for calculating Termination Charges applicable to Awarded New Capacity allocated in the Capacity Auction;

- (o) anticipated values for the Full Administered Scarcity Price and the Reserve Scarcity Price Curve applicable to the Capacity Year;
- (p) anticipated values for the parameters listed in paragraph F.16.1.1 and F.16.1.5 of the Trading and Settlement Code to be applied in determining the Strike Price in accordance with the Trading and Settlement Code for the Capacity Year;
- (q) the final Capacity **Auction Aggregation** Threshold for the Capacity Auction;
- (r) the Long Stop Date in respect of Awarded New Capacity as determined in accordance with J.6.1.1(b); and
- (s) the Early Delivery Incentive Start Date for New Capacity, excluding New Capacity that is repowered or refurbished capacity based on previous Existing Capacity, with a Maximum Capacity Duration of more than one year.

Modification Proposal Justification

(Clearly state the reason for the Modification)

This modification is necessary to ensure that the SOs are facilitated with the discretion to request a postponement of a Capacity Auction (in events where there is a delay in the RAs providing the Demand Curve for an auction) only when deemed necessary. At present, the CMC is proscriptive in that the SOs must request a delay to a Capacity Auction in such events. This may result in the SOs being required to request a postponement to a Capacity Auction in instances where it is the SOs' view that such a postponement would be adverse to the efficient operation of the CRM.

The housekeeping amendment to Section F.5 (amending incorrect term 'Capacity Auction Threshold' to correct term 'Capacity Aggregation Threshold') corrects an error introduced by CMC_01_22 and is required to ensure compliance with the CMC while removing ambiguity regarding a term which does not exist and therefore cannot be included in the FAIP.

Code Objectives Furthered

(State the Code Objectives the Proposal furthers, see Sub-Section A.1.2 of the CMC Code Objectives)

- (a) to facilitate the efficient discharge by EirGrid and SONI of the obligations imposed by their respective Transmission System Operator Licences in relation to the Capacity Market;
- (b) to facilitate the efficient, economic and coordinated operation, administration and development of the Capacity Market and the provision of adequate future capacity in a financially secure manner;
- (c) to facilitate the participation of undertakings including electricity undertakings engaged or seeking to be engaged in the provision of electricity capacity in the Capacity Market;
- (e) to provide transparency in the operation of the SEM;
- (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.

Implication of not implementing the Modification Proposal

(State the possible outcomes should the Modification Proposal not be implemented)

Not implementing this modification may result in the SOs being required to request a postponement to a Capacity Auction in instances where it is the SOs' view that such a postponement would be adverse to the efficient operation of the CRM.

The housekeeping amendment to Section F.5 is necessary to amend an incorrect reference, which will ensure compliance with the Code and remove ambiguity as to what is included in the FAIP.

Impacts

(Indicate the impacts on systems, resources, processes and/or procedures)

There are no system or material process impacts evident resulting from the modification.

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.