10/12/2025

Wind Energy Ireland Response to the SEMO Market System Development Plan (MSDP) 2026-2027

Introduction

Wind Energy Ireland (WEI) welcomes the opportunity to provide feedback on the draft Market System Development Plan (MSDP) for 2026-2027. We recognise the vital importance of the proposed projects in transitioning to a high-RES system, particularly in the areas of Scheduling & Dispatch, and EU integration. Our members, representing the majority of wind energy capacity on the island, rely on the timely and effective delivery of these system enhancements.

1. Projects In Flight: Concerns over Timeline Delivery (Section 2)

Overall Comment: WEI is concerned about the risk of slippage on strategic programs that are critical for integrating high levels of renewables, particularly those concerning flexibility and system access.

Project/Area	MSDP Reference	WEI Comment/Opportunity for Input
Strategic Markets Programme (SMP)	Sec 2.2	**Issue:** The delay of the Celtic Interconnector commissioning date to Q2 2028 creates uncertainty. We seek confirmation on how this timeline shift impacts the prioritisation of *other* SMP scope items (Release 2/2+). **Action Needed:** We urge SEMO to re-prioritise all non-Celtic-dependent aspects of SMP, particularly those related to Balancing Market Reform (BMR) and enabling flexible technologies, to ensure they remain on track for earlier delivery.
Non-Priority Dispatch	Sec 2.1, SDP-01	**Issue:** There remains unacceptable uncertainty regarding (a) when the Regulatory Authorities will issue their final decision on Mod_13_23 and (b) a

Renewables (NPDR)		definitive, binding timetable for both a full and proper testing environment and subsequent go-live. Participants cannot plan operational workflows or system integration activities without clarity. Any further slippage risks pushing implementation well beyond the necessary window and directly impacts renewable dispatch efficiency. **Action Needed:** • SEMO and the TSOs should publish, within Q1 2026, a *decision-agnostic implementation roadmap* showing what preparatory activities (testing environment setup, code updates, data exchange design) will be completed *in parallel* with the RA process to minimise lead time once the decision issues. • A mandatory, time-bound testing and go-live schedule should be published within two weeks of the RA decision, including contingency timelines for participant onboarding. • SEMO should commit to a minimum 8-week full testing environment before go-live to avoid regressions or market instability.

2. Future Projects: Ambition and Clarity (Section 4)

Overall Comment: We support the inclusion of key future-facing developments but stress the need for policy and funding certainty to move these from Phase 1 (Analysis) to Execution (Phase 3) swiftly.

Project/Area	MSDP Reference	WEI Comment/Opportunity for Input
Capacity Remuneration Mechanism (CRM27+)	Sec 4.1	**Comment:** Any review of the CRM must be conducted with full consideration of the evolving role of renewable and hybrid assets.

		Action Needed: We request early engagement on the market design review to ensure the CRM future-proofs investment in renewable-enabling technologies, especially new forms of capacity/flexibility.
Long Duration Energy Storage (LDES)	Sec 4.2	**Issue:** The absence of a transparent and sequential timeline for the initial 500 MW procurement along with limited visibility on how the Flexibility Needs Assessment triggers additional procurement is a material risk to security of supply and system flexibility. **Action Needed:** • SEMO should, immediately after the CRU's contractual design decision (expected Q4 2026), publish a full LDES System Requirements Blueprint, covering registration, scheduling, settlement, and performance monitoring. • A detailed Gantt-style delivery timeline should be produced, including milestones for specification, system build, market trials, and go-live. • SEMO should work with the TSOs to publish how the Flexibility Needs Assessment directly maps to procurement volumes, with clear annual review and update cycles. • A dedicated internal LDES Programme Team should be established with guaranteed resources for 2026–2027.

3. Externally Led Initiatives: Market Visibility and Risk (Section 4.3)

Overall Comment: While these projects are led externally, their potential impact on SEMO systems is significant. See below some additional comments and considerations in relation to TSO Demand Side Strategy and Sharing of MEC / Hybrids:

Initiative	MSDP Reference	WEI Comment/Opportunity for Input
TSO Demand Side Strategy	Table 9	**Comment:** WEI welcomes the anticipated resource allocation for Demand Side initiatives. The forthcoming LEU Connection Policy and the pending Private Wire Policy will have significant implications for system visibility, demand forecasting, and market operation. Both policies are expected to accelerate growth in large flexible demand and behind-the-meter generation, and this must be reflected in MSDP resource allocation. The absence of preparatory analysis creates risk for settlement accuracy, imbalance attribution, and Scheduling & Dispatch performance as LEUs increasingly adopt self-supply, hybrid, or flexible demand configurations. **Action Needed:** • SEMO should be prepared to undertake a joint LEU/Private Wire system-impact assessment when these policy decisions are made, covering forecasting, metering, settlement, and data-exchange requirements. • Dedicated funding should be ring-fenced in the 2026/7 period for potential system changes arising from these policies. • A clear roadmap should be published outlining required data flows (demand, self-supply, flexibility availability), registration processes, and participant obligations.

		Early stakeholder engagement should be initiated to ensure future market rules, hybrid participation, and imbalance arrangements are designed in parallel with policy development.
Sharing of MEC/Hybrids	Table 9	**Issue:** The proliferation of co-located and hybrid configurations demands clear rules and predictable system readiness. **Action Needed:** • SEMO should launch a Hybrid Facilitation Workstream in early 2026, with a published roadmap covering market rules, settlement modifications, and registration processes. • System impact assessments should begin prior to final CRU/TSO decisions to avoid multi-year delays. • A hybrid market trial window should be scheduled to test MEC-sharing logic, dynamic participation, and co-optimisation behaviour. • SEMO should commit to aligning timelines with upcoming CRM and DS3 reform milestones to ensure hybrids are not disadvantaged.

4. Other Strategic Omissions

Carbon Border Adjustment Mechanism (CBAM)

While WEI notes the update in the September Future Power Markets Newsletter stating that system changes are deemed the responsibility of the Interconnector Owner (EIDAC), we strongly believe that CBAM must be explicitly referenced and assessed within the MSDP framework due to its market-wide implications.

- **Market Signal Impact:** CBAM will directly affect the price and volume of imports from GB starting in 2026, altering the price signals in the *ex-ante* and Balancing Markets.
- **Need for Visibility:** We request that SEMO explores what non-settlement system data requirements (e.g., carbon intensity data, price of CBAM certificates) may be

necessary to support Market Monitoring (Sec 2.3), transparency for market participants, and regulatory oversight of the market. The exclusion of this item leaves a significant regulatory and market transparency gap.

5. Conclusion

Wind Energy Ireland appreciates the opportunity to comment on the 2026–2027 Market System Development Plan and recognises the critical role that SEMO's programme of work plays in enabling a secure, flexible, and high-renewables electricity system. However, as outlined throughout this response, timely delivery, transparent roadmaps, and proactive engagement are essential to maintaining industry confidence and ensuring that market systems evolve at the pace required by Ireland's decarbonisation objectives.

We urge SEMO to prioritise the on-time progression of projects already in flight, particularly those linked to Balancing Market Reform, Non-Priority Dispatch Renewables, and system testing environments while also accelerating preparatory work for emerging areas such as long-duration storage, hybrid participation, demand-side flexibility, and future CRM design. Clear, binding implementation schedules; dedicated resourcing; and early, structured stakeholder engagement will be key to mitigating delivery risk and ensuring market readiness.

Finally, we encourage SEMO to expand the MSDP's scope to include external policy developments with profound system implications such as LEU/Private Wire policy and CBAM to safeguard market transparency, operational integrity, and efficient integration of new technologies.

Wind Energy Ireland and its members remain committed to working collaboratively with SEMO and the TSOs to ensure these developments are delivered effectively and in a manner that supports a resilient, renewable-led power system for Ireland

Yours sincerely,

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