

I-SEM 2026-27 T-1 Capacity Auction Independent Auction Monitor Report

Commission for Regulation of Utilities (CRU) and the
Utility Regulator Northern Ireland (UREGNI)

30 July 2026

AUCTION REPORT - REDACTED

Important notice

This report was prepared by CEPA¹ for the exclusive use of the recipient(s) named herein.

The information contained in this document has been compiled by CEPA and may include material from other sources, which is believed to be reliable but has not been verified or audited. Public information, industry and statistical data are from sources we deem to be reliable; however, no reliance may be placed for any purposes whatsoever on the contents of this document or on its completeness. No representation or warranty, express or implied, is given and no responsibility or liability is or will be accepted by or on behalf of CEPA or by any of its directors, members, employees, agents or any other person as to the accuracy, completeness or correctness of the information contained in this document and any such liability is expressly disclaimed.

The findings enclosed in this report may contain predictions based on current data and historical trends. Any such predictions are subject to inherent risks and uncertainties.

The opinions expressed in this document are valid only for the purpose stated herein and as of the date stated. No obligation is assumed to revise this report to reflect changes, events or conditions, which occur subsequent to the date hereof.

CEPA does not accept or assume any responsibility in respect of the document to any readers of it (third parties), other than the recipient(s) named therein. To the fullest extent permitted by law, CEPA will accept no liability in respect of the report to any third parties. Should any third parties choose to rely on the report, then they do so at their own risk.

¹ "CEPA" is the trading name of Cambridge Economic Policy Associates Ltd (Registered: England & Wales, 04077684), CEPA LLP (A Limited Liability Partnership. Registered: England & Wales, OC326074) and Cambridge Economic Policy Associates Pty Ltd (ABN 16 606 266 602).

Contents

1. INDEPENDENT ASSURANCE REPORT	4
1.1. Scope of the report.....	4
1.2. Our approach.....	4
1.3. Inherent limitations	5
1.4. Conclusions.....	5
1.5. Use of the report	5
2. BACKGROUND AND CONTEXT.....	6
2.1. Background.....	6
2.2. Our role as Capacity Auction Monitor	6
2.3. Objectives and scope	6
2.4. Scope exclusions	7
3. AUCTION RESULTS.....	8
3.1. CMUs provisionally awarded capacity in this Capacity Auction	10
3.2. CMUs provisionally not awarded capacity in this Capacity Auction.....	11
4. SUMMARY OF ISSUES IDENTIFIED WITH THE CAPACITY AUCTION PROCESS.....	13
4.1. Summary of issues.....	13
4.2. Further considerations	13
APPENDIX A SUMMARY OF WORK PERFORMED	15
APPENDIX B SUMMARIES OF OBSERVED ISSUES RESULTING FROM THE CAPACITY AUCTION PROCESS	
18	

1. INDEPENDENT ASSURANCE REPORT

This report sets out our conclusions in relation to the monitoring of the processes and procedures followed by the System Operators (EirGrid and SONI Ltd; SOs) in conducting the Capacity Market Auction for the 2026/27 T-1 Capacity Auction, with respect to Capacity Auction Submissions submitted between 16th July 2026 and 10:00 on 23rd July 2026, to ensure that it has been correctly carried out in accordance with the SOs' obligations under the Capacity Market Code (CMC).

1.1. SCOPE OF THE REPORT

This report is produced in accordance with the terms of our engagement contract, dated 2nd September 2022, for the purposes of reporting to the Regulatory Authorities (RAs) – the Commission for Regulation of Utilities (CRU) and the Northern Ireland Authority for Utility Regulation (UR) – in connection with CEPA's arrangement as the Capacity Auction Monitor for the I-SEM Capacity Market.

Under the CMC, the SOs have various obligations with respect to qualification for and conducting of the Capacity Auctions. These obligations apply to Capacity Auctions which the SOs are required to satisfy under the CMC. The SEM Committee's decision approving the CMC and its associated procedures are available here:

<https://www.semcommittee.com/news-centre/publication-i-sem-crm-capacity-market-code-decision>

The most up to date version of the CMC, and approved and pending modifications, are available here:

<https://www.sem-o.com/rules-and-modifications/capacity-market-modifications/market-rules/>

CEPA's role as the appointed Capacity Auction Monitor for the I-SEM is to provide independent assurance to the market and the Regulatory Authorities (RAs) that the SOs have correctly carried out their obligations under the CMC in respect of qualification for, and running of, the Capacity Auctions, as set out in the Terms of Reference for the Capacity Auction Monitor.²

We monitored the processes and procedures followed by the SOs for the Capacity Auction, as far as possible, in accordance with our Terms of Reference for this engagement. We provide our conclusions (in Section 1.4 below) in relation to compliance with the CMC based on our obligations. This report is provided in accordance with Section B.10.4 of the CMC, which sets out the requirement for the Capacity Auction Monitor to provide a report to the RAs:

- confirming the list of Participants with Capacity Market Units that have been allocated Awarded Capacity;
- stating whether or not the Capacity Auction Monitor considers that the Capacity Auction was conducted in accordance with this Code; and
- identifying any actual or potential non-compliance with the CMC by the SOs.

Note that, except where expressly stated, we did not audit or otherwise verify the information provided to us by the SOs in the course of our work. A separate Capacity Market Auditor is required to be in place under the CMC, with its obligations set out within the Capacity Market Auditor Terms of Reference. For the avoidance of doubt, CEPA would like to make clear that we are a professional economic advisory firm and not professional accountants.

1.2. OUR APPROACH

We developed a set of protocols and analytical tools to monitor the processes and procedures followed by the SOs for the Capacity Auction.

² SEM Committee (2017): 'Capacity Remuneration Mechanism – Terms of Reference for the Capacity Market Auditor and Capacity Auction Monitor', SEM-17-023.

In carrying out our duties, we have followed a system of quality control, professional conduct, and ethical behaviour which we consider to be of a standard at least as demanding as that required by ISAE 3000 (Revised). This includes documented policies and procedures related to our monitoring activities, leadership responsibilities for quality control in the firm, independence and ethical requirements and management of human resources.

We have performed our work as the appointed Capacity Auction Monitor based on our fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

1.3. INHERENT LIMITATIONS

Our conclusions are based on historical information. The projection of any information or conclusions in the attached report to any future periods would be inappropriate.

Our examination excludes audit procedures and accordingly we do not express an audit opinion on the information. We note that the procedures we performed were not designed to and are not likely to reveal fraud.

An outline of the work we performed for the Capacity Auction is included in Appendix A.

1.4. CONCLUSIONS

Our conclusions in this report reflect reasonable assurance in relation to the T-1 Capacity Auction for the 2026/27 Capacity Year.

We believe that the procedures performed, and the evidence obtained, provide us with a reasonable basis that, except for the matters described in Section 4 of our report, the Capacity Auction was conducted by the SOs in accordance with the requirements of the CMC.

Actual and potential instances of non-compliance are summarised in Section 4.

1.5. USE OF THE REPORT

This report has been prepared for the exclusive use of the RAs in accordance with the scope of our engagement contract and the RAs' Terms of Reference for the Capacity Auction Monitor.

Our work has been undertaken solely for the purpose of assessing that the SOs have correctly carried out the obligations placed on them under the CMC in carrying out the Capacity Auction. Our work was not planned or conducted with any other objective in mind, and so cannot be relied on for any other purpose. With the exception of providing it to the RAs and the SOs, and publishing it on the SEM Committee website, our report is not to be recited or referred to in any document, copied or made available (in whole or part) to any person without our prior written consent. To the fullest extent permitted by law, CEPA does not accept or assume responsibility to anyone, other than the RAs, for this report or for the conclusions we have formed.

Cambridge Economic Policy Associates

Cambridge Economic Policy Associates Ltd
London, United Kingdom
30th July 2026

2. BACKGROUND AND CONTEXT

2.1. BACKGROUND

In the I-SEM Capacity Market, capacity providers sell qualified capacity to the market to meet the capacity requirement in a future capacity year. Capacity providers who are successful in the Capacity Auction receive a regular capacity payment that assists with funding generation capacity, and, in return, they have an obligation to generate when the system is stressed.

The operation of the Capacity Market and the roles and responsibilities of the market operator – split jointly between the SOs and the Single Electricity Market Operator (SEMO) – are governed by the CMC and the Trading and Settlement Code.

2.2. OUR ROLE AS CAPACITY AUCTION MONITOR

The Terms of Reference for the Capacity Auction Monitor state that:

“The purpose of the Capacity Auction Monitor is to provide independent assurance to the market and the Regulatory Authorities that the System Operators’ are correctly carrying out their obligations under the Capacity Market Code in respect of qualification for and running of Capacity Auctions.”

As Capacity Auction Monitor, we are required to produce a Report on the Capacity Auction, within two Working Days after the SOs have released provisional Capacity Auction Results to Participants, that:

- confirms the list of Participants with Capacity Market Units that have been allocated Awarded Capacity;
- states whether or not the Capacity Auction Monitor considers that the Capacity Auction was conducted in accordance with the CMC; and
- where applicable, identifies any actual or potential non-compliance with the CMC or other actual or potential irregularity in the conduct of the Capacity Auction, together with the Capacity Auction Monitor’s assessment as to the likely consequences of the actual or potential non-compliance or irregularity.

This report summarises our findings in relation to the Capacity Auction run by the SOs on 23rd July 2026.

2.3. OBJECTIVES AND SCOPE

The CMC paragraph B.10.2.1 sets out that:

“The Capacity Auction Monitor shall monitor the processes and procedures followed by the System Operators in carrying out the Qualification Process, conducting Capacity Auctions and related activities under this Code, in accordance with the terms of reference determined by the Regulatory Authorities.”

The basic tasks set out for the Capacity Auction Monitor are:

- monitoring the Qualification Process to ensure that the SOs have complied with the CMC;
- being present at the auctions, with full read access to all key software, including access to all bids and all communications between the SOs and all bidders;
- monitoring the application of algorithms and calculations;
- reporting on whether it considers that the SOs have conducted the Capacity Auction in accordance with the CMC;

- identifying any actual or potential breach of the rules and regulations or other actual or potential irregularities in the conduct of the Capacity Auction by the SOs and an assessment of the consequences; and
- making recommendations on the changes to the CMC, Auction Guidelines and User Guides.

As Capacity Auction Monitor, we are required to report on all issues that we identify, irrespective of materiality.

The scope of the Capacity Auction Monitor's assurance activities shall relate to the System Operators' activities relating to qualification through to the determination of the final auction results under the Code.

2.4. SCOPE EXCLUSIONS

In line with our Terms of Reference, the scope of our review excluded the following:

- Secondary trading market (referenced specifically within Chapter H of the CMC).
- Direct investigation of market manipulation: However, the Terms of Reference states that the Capacity Auction Monitor should bring any incidents of potential market manipulation to the attention of the RAs, should it come across them in carrying out its duties.
- The determination of the LCCs and their underlying methodology: The Capacity Auction Monitor's scope in relation to LCCs is limited to assessing compliance by the SOs with the methodology for determining LCCs, including accordance with relevant procedures and process documentation.
- Auditing of the processes carried out by the SOs: The CMC requires a Capacity Market Auditor to be appointed separately from the Capacity Auction Monitor. Under our Terms of Reference, we are not required to carry out an audit of the processes followed, or information provided, by the SOs in running the auction.
- Monitoring of compliance with obligations of Section L.7 of the CMC regarding SO reporting of REMIT Data on behalf of Participants.

3. AUCTION RESULTS

The Capacity Auction Submission Commencement date for the T-1 Auction was 16th July 2026. The SOs emailed Participants at 10:05 to inform them that the auction gate had opened at 10:00 as planned. The Capacity Auction Submission End took place at 10:00 on 23rd July 2026.

Capacity Auction Run Start was scheduled for 12:00 on 23rd July 2026. Auction Run was initiated at this time and was completed within a minute of initiation. The auction clearing process was completed within the 24-hour Allowed Timeframe.

The Capacity Auction was run using the Capacity Market Platform (CMP) version 3.6.8.1, according to information displayed in the CMP.

In line with the Final Auction Information Pack (FAIP v.1.1), the parameters of the Demand Curve used in the 2026/27 T-1 Auction are set out in Table 3.1.

Table 3.1: Final Demand Curve used in the Capacity Auction, same as in FAIP 2026/27 T-1 Table 1

De-Rated Capacity (MW)	Demand Curve Point (€/MW per year)
0	160,545
0.001	160,545
0.001	100,780
851	0

The minimum and maximum capacity requirements needed to satisfy the LCCs were as set out in Table 3.2.

Table 3.2: LCCs and minimum MW required, same as in FAIP 2026/27 T-1 Table 4

LCC Area 1 Name	Minimum Required Quantity (MW)	Maximum Required Quantity (MW)	LCC Area 2 Name	Minimum Required Quantity (MW)	Maximum Required Quantity (MW)
L1-1: Northern Ireland	2,167	20,000			
L1-2: Ireland	8,004	20,000	L2-1: Greater Dublin	2,514	2,515

There were 39 offers for 37 CMUs in this Capacity Auction. This is out of a total of 52 qualified CMUs³ with non-zero Net De-rated Capacity, 30 of which had Existing Capacity with a non-zero Firm Offer Requirement (and thus were required to submit offers). Of these, 29 had only Existing Capacity available to offer, and 1 had both Existing and New Capacity available to offer into this Capacity Auction. There were a further 22 CMUs that had a non-zero Firm Offer Requirement comprising only New Capacity, and therefore (under CMC F.2.1.1) these CMUs were not required to submit an offer.

37 offers were submitted directly by the relevant Participants, with 2 offers generated automatically by the Capacity Market Operator (CMO).

A total of 377.160 MW cleared in the auction, with [37] offers from [37] CMUs being successful in the auction.

³ There were a further 141 CMUs qualified due to having previously Awarded Capacity. However, their Net De-rated Capacity for this auction was zero.

The Auction Clearing Price was determined in accordance with CMC F.8.3. The Price Setting Offer was a Flexible offer cleared at €53,978.87/MW per year (£47,328.67/MW per year). For the determination of the Auction Clearing Price, a total of [X] offers were initially scheduled.

The offered quantity scheduled at the Auction Clearing Price was not sufficient to meet the LCC Required Quantities for Ireland and Greater Dublin and so additional offers needed to clear out of merit. As a result, [X] of the remaining offers were cleared at their respective offer prices up to the Auction Price Cap of €160,545/MW per year.

Total Awarded Capacity, LCC Required Quantity, and the difference between the two is summarised in Table 3.3 below.

Table 3.3: Constraint status in the auction solution

	L1-1: Northern Ireland	L1-2: Ireland	L2-1: Greater Dublin
Previously Awarded Capacity (MW) ⁴	2,054.944	7,074.143	2,489.527
Capacity Cleared in T-1 Auction (MW)	125.737	251.423	0.000
Total Awarded Capacity (MW)	2,180.677	7,325.563	2,489.527
LCC Required Quantity (MW)	2,167.000	8,004.000	2,514.000
Difference (-) between Required Quantity and Awarded Capacity (MW)	13.677	- 678.437	-24.470

Table 3.4 shows the relevant quantities of the above offers, as well as a summary of all changes between the unconstrained and constrained solutions.

Table 3.4: Changes between the determination of the Auction Clearing Price and the Auction Solution

CMU ID	Capacity type(s) offered by this CMU	LCC Level 1	LCC Level 2	Offered Quantity (MW)	Cleared Q during Auction Clearing Price determination (MW)	Cleared Q in Auction Solution (MW)	Difference (MW)
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]
Total							[X]

Based on the outcome of the 2026/27 T-1 Auction, Table 3.5 lists the participants and corresponding CMUs that have been awarded capacity.

⁴ From 2026/27 T-4 auction and multi-year contracts cleared in previous capacity market auctions.

3.1. CMUs PROVISIONALLY AWARDED CAPACITY IN THIS CAPACITY AUCTION

Table 3.5: List of participants and CMUs provisionally awarded capacity in the T-1 Capacity Auction for the Capacity Year 2026/27

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	Capacity Type	Quantity offered (MW)	Quantity awarded (MW)
Aughinish Alumina Limited	PY_034144	PT_402613	GU_405210	Wind	L1-2: Ireland	Existing	[X]	6.019
ElectroRoute Energy Supply Ltd	PY_000043	PT_400043	GU_400660	Wind	L1-2: Ireland	Existing	[X]	2.495
Greener Ideas Limited	PY_000030	PT_400033	CAU_400302	Wind	L1-2: Ireland	Existing	[X]	2.105
ENDECO TECHNOLOGIES LIMITED	PY_000030	PT_400033	GU_401090	Wind	L1-2: Ireland	Existing	[X]	0.990
Zellam Properties Limited	PY_000146	PT_500112	GU_504230	Wind	L1-1: Northern Ireland	Existing	[X]	0.891
iPower Flexible Energy Ltd	PY_000093	PT_500053	GU_501130	Gas Turbine	L1-1: Northern Ireland	Existing	[X]	5.204
iPower Flexible Energy Ltd	PY_000093	PT_500053	DSU_503450	Demand Side Unit	L1-1: Northern Ireland	New	[X]	1.524
EirGrid Interconnector Designated Activity Company	IO_EIDAC	IO_EIDAC	I_ROIEWIC	Interconnector	L1-2: Ireland	Existing	[X]	44.000
Electricity Exchange Limited	IO_GRNLK	IO_GRNLK	I_ROIGRLK	Interconnector	L1-2: Ireland	Existing	[X]	43.848
Moyle Interconnector Limited	IO_MOYLE	IO_MOYLE	I_NIMOYLE	Interconnector	L1-1: Northern Ireland	Existing	[X]	36.000
Astatine Limited	PY_000128	PT_500078	GU_504340	Gas Turbine	L1-1: Northern Ireland	Existing	[X]	16.373
Lagan Energy (Ballymena) Limited	PY_034222	PT_502573	GU_504320	Gas Turbine	L1-1: Northern Ireland	Existing	[X]	4.405
Bord Gais Energy Limited	PY_034181	PT_502562	GU_504250	Other Storage	L1-1: Northern Ireland	Existing	[X]	1.858
iPower Flexible Energy Ltd	PY_034099	PT_402580	GU_404380	Other Storage	L1-2: Ireland	Existing	[X]	2.340
Shannonbridge Power Limited	PY_034099	PT_402580	GU_404390	Other Storage	L1-2: Ireland	Existing	[X]	2.340
iPower Flexible Energy Ltd	PY_034098	PT_402579	GU_407520	Other Storage	L1-2: Ireland	Existing	[X]	2.340
iPower Flexible Energy Ltd	PY_034098	PT_402579	GU_407530	Other Storage	L1-2: Ireland	Existing	[X]	2.340
ElectroRoute Energy Supply Ltd	PY_000171	PT_502534	GU_504040	Wind	L1-1: Northern Ireland	Existing	[X]	3.089
Electricity Exchange Limited	PY_000030	PT_400030	GU_400181	Gas Turbine - IED	L1-2: Ireland	Existing	[X]	75.780
Aughinish Alumina Limited	PY_000024	PT_400024	DSU_403790	Demand Side Unit	L1-2: Ireland	Existing	[X]	12.425
Empower Generation Limited	PY_000111	PT_500073	GU_501230	Gas Turbine	L1-1: Northern Ireland	Existing	[X]	1.302

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	Capacity Type	Quantity offered (MW)	Quantity awarded (MW)
iPower Flexible Energy Ltd	PY_000176	PT_400220	GU_406580	Solar	L1-2: Ireland	Existing	[X]	6.090
iPower Flexible Energy Ltd	PY_000171	PT_400200	GU_407710	Wind	L1-2: Ireland	Existing	[X]	0.858
ESB	PY_034171	PT_402630	GU_406470	Solar	L1-2: Ireland	Existing	[X]	3.500
AXPO UK LIMITED	PY_034070	PT_402560	GU_405930	Wind	L1-2: Ireland	Existing	[X]	1.896
Lagan Energy (Ballymena) Limited	PY_000128	PT_500078	DSU_503660	Demand Side Unit	L1-1: Northern Ireland	New	[X]	6.578
Greenfish Power Limited	PY_000128	PT_500078	DSU_503670	Demand Side Unit	L1-1: Northern Ireland	New	[X]	3.048
Critical Mass Limited	PY_000148	PT_400173	GU_401060	Wind	L1-2: Ireland	Existing	[X]	1.320
ESB	PY_000030	PT_500024	GU_500041	Gas Turbine	L1-1: Northern Ireland	Existing	[X]	44.575
Derrinlough Wind Farm Supply DAC	PY_034189	PT_402639	GU_406620	Wind	L1-2: Ireland	Existing	[X]	6.930
EP Kilroot Limited	PY_000070	PT_500045	GU_500824	Gas Turbine	L1-1: Northern Ireland	Existing	[X]	0.890
iPower Flexible Energy Ltd	PY_000128	PT_400144	DSU_403810	Demand Side Unit	L1-2: Ireland	New	[X]	3.333
Energia Customer Solutions Limited	PY_034206	PT_402654	DSU_403890	Demand Side Unit	L1-2: Ireland	New	[X]	2.032
ENDECO TECHNOLOGIES LIMITED	PY_000126	PT_400133	DSU_404090	Demand Side Unit	L1-2: Ireland	New	[X]	5.031
Electricity Exchange Limited	PY_000114	PT_400116	DSU_403760	Demand Side Unit	L1-2: Ireland	Existing	[X]	15.000
iPower Flexible Energy Ltd	PY_000093	PT_402574	DSU_403650	Demand Side Unit	L1-2: Ireland	New	[X]	0.169
Electricity Exchange Limited	PY_000114	PT_400116	DSU_403760	Demand Side Unit	L1-2: Ireland	New	[X]	8.242

3.2. CMUs PROVISIONALLY NOT AWARDED CAPACITY IN THIS CAPACITY AUCTION

One Participant, listed in Table 3.6, submitted an offer for a CMU in the T-1 Auction but was not awarded any capacity.

Table 3.6: List of participants and CMUs provisionally awarded no capacity in the T-1 Capacity Auction for the Capacity Year 2026/27

Party Name	Party ID	Participant ID	CMU ID	Technology class	LCC Level 1	Capacity Type	Quantity offered (MW)	Quantity awarded (MW)
AC Automation UK Limited	PY_000109	PT_500064	DSU_501200	Demand Side Unit	L1-1: Northern Ireland	Existing	[>]	0.000

4. SUMMARY OF ISSUES IDENTIFIED WITH THE CAPACITY AUCTION PROCESS

We performed our role as Capacity Auction Monitor in relation to the 2026/27 T-1 Capacity Auction, which took place on 23rd July 2026, in line with our obligations to monitor the conduct of the SOs in operating the Capacity Auctions. In Section 4.1, we summarise the identified instances of non-compliance within the areas of the CMC that are in the Monitor's scope, before presenting additional considerations in Section 4.2.

4.1. SUMMARY OF ISSUES

In carrying out our duties, we identified **4 issues** that we consider constitute non-compliance with the CMC, noting our obligation to report all issues to the RAs irrespective of materiality. The table below sets out a high-level summary of actual or potential instances of non-compliance identified within the Capacity Auction process. Detailed issue logs are included in Appendix B.

Table 4.1: Summary of issues identified within the Capacity Auction process⁵

Issue Log	Description
IL008	CMC section E.7.8 outlines the Alternative Qualification Process (AQP) which the SOs are to apply under certain circumstances. In the FQRs, the SOs have not followed parts of the process outlined in E.7.8.2 for the calculation of Initial Capacity Existing. In both instances raised, we consider that there has been no impact on the auction as there was no impact on the Net De-Rated Capacity that Participants could have offered into the Auction.
IL010	CMC section E.8.7 outlines the requirements for the Offer Price Caps. For a number of CMUs, the Offer Price Caps in the FQRs were either missing or were not set according to E.8.7.1. As the SOs corrected the Offer Price Caps prior to Gate Opening, we consider that this has not had a material impact on the auction.
IL011	The SOs submitted the LCC determinations (set out in F.4.1.1) to the RAs one working date later than the date specified in the Capacity Market Code. We do not believe this to have had an impact on the auction as it relates only to the timing of passing of information between SOs and RAs.
IL012	We identified non-compliance with CMC C.3.5.1(d) relating to the determination of Initial Capacity (Total) where the System Operators are required to determine substitute values for units with Awarded New Capacity. We do not consider this issue to have any impact on the auction outcome as the Net De-Rated Capacity available to participate in the auction has been correctly set to zero for all affected units.

4.2. FURTHER CONSIDERATIONS

This sub-section contains comments and observations that we believe do not represent non-compliance with the CMC, but we consider it appropriate to summarise for the RAs' attention.

⁵ Issue numbers are assigned to potential instances of non-compliance as they are identified. Issue numbers missing from the table (e.g., Issue 017) may reflect issues investigated as part of the Monitor's Qualification Report for this Auction or may reflect issues that have been investigated and determined not to represent non-compliance with the CMC.

4.2.1. Capacity Auction Threshold versus Capacity Aggregation Threshold

The CMC F.5.1.3 requires the SOs to include a Capacity Auction Threshold in the FAIP. This term is different from the Capacity Aggregation Threshold which is required to be included in the IAIP (as per D.3.1.3). The Capacity Auction Threshold is not a term defined in the CMC.

The SOs have included a Capacity Aggregation Threshold in the FAIP and included a footnote to explain that this is different from the term used in the CMC.

We assume that the Capacity Auction Threshold referred to under F.5.1.3 and the Capacity Aggregation Threshold under D.3.1.3 are intended to describe the same concept and value. If this is the case, we suggest revising the CMC to ensure consistency in terminology used.

Appendix A SUMMARY OF WORK PERFORMED

Our fieldwork was completed on 23rd July 2026 at the System Operators' premises at The Oval, Shelbourne Road, Dublin. Additional members of the CAM team also observed the process for this Auction using conference calling and screen-sharing. The areas of the Code checked at the time of issuing this report are outlined in the table below.

Table A.1: Summary of CMC sections checked by the Monitor in preparing this report

CMC Chapter	CMC Subsection	CMC Paragraph
C. De-Rating and Capacity Concepts	C.2 Locational Capacity Constraints	C.2.1.2
	C.2 Locational Capacity Constraints	C.2.2.2
	C.2 Locational Capacity Constraints	C.2.3.1
	C.2 Locational Capacity Constraints	C.2.3.2
	C.3 Initial Capacity	C.3.2.1
	C.3 Initial Capacity	C.3.2.3
	C.3 Initial Capacity	C.3.5.1
D. Pre-Capacity Auction Process	D.2 Capacity Auctions and Timetables	D.2.1.5
		D.2.1.9
		D.2.1.10
		D.2.1.11
		D.2.1.14
		D.2.1.16
		D.2.1.17
E. Qualification	E.1 Purpose of Qualification Process	E.1.1.4
	E.3 Opt-out Notifications	E.3.1.4
	E.4 Application for Qualification	E.4.1.8
	E.5 Exception Applications	E.5.1.10
	E.8 Qualification Calculations	E.7.8.1
		E.7.8.2
		E.8.1.1
		E.8.1.2
		E.8.1.3
		E.8.2.1
		E.8.2.2
		E.8.2.4
		E.8.2.5
		E.8.2.7
		E.8.2.8
		E.8.3.1
		E.8.3.2
		E.8.4.1
		E.8.5.1
		E.8.5.2
		E.8.5.3
		E.8.6.1
		E.8.7.1
		E.8.8.1
		E.8.8.2

CMC Chapter	CMC Subsection	CMC Paragraph
E. Qualification	E.9 Notification of Qualification Decisions	E.8.8.3
		E.8.9.1
		E.8.9.2
		E.9.3.3
		E.9.3.5
		E.9.3.6
	E.9 Notification of Qualification Decisions	E.9.4.1
		E.9.4.2
		E.9.4.3
		E.9.4.4
		E.9.4.9
		E.9.5.1
		F.1.2.2
		F.2.1.1
		F.3.1.1
		F.3.1.2
		F.3.1.6
		F.3.1.7
		F.4.1.1
		F.4.1.2
F. Capacity Auctions	F.1 General	F.4.1.4
		F.4.1.5
		F.4.1.6
	F.2. Capacity Auction Participation	F.4.1.7
		F.5.1.1
		F.5.1.2
		F.5.1.3
	F.3 Demand Curve	F.6.1.1
		F.6.2.1
		F.7.1.1
	F.4 Determination of Locational Capacity Constraints for a Capacity Auction	F.7.1.2
		F.7.1.3
		F.8.1.1
		F.8.2.1
		F.8.2.2
		F.8.2.3
		F.8.3.2
	F.5 Publication of Final	F.8.3.3
		F.8.3.4
		F.8.3.5
		F.8.4.2
		F.8.4.3
		F.8.4.4
		F.8.4.5
	F.6 Capacity Auction Submissions	F.8.4.6
		F.8.4.7
	F.7 Capacity Auction Offers	
	F.8 Conduct of Capacity Auction	

CMC Chapter	CMC Subsection	CMC Paragraph
		F.8.5.1
		F.8.6.1
	F.9 Capacity Auction Results	F.9.1.1
		F.9.2.1
		F.9.3.1
K. Exchange Rates	K.2 Methodology	K.2.1.6
L. Data and Information Systems	L.2 Methodology	L.2.2.2
		L.2.3.1
		L.2.4.3
		L.2.4.4
		L.2.5.1
		L.2.5.2
		L.2.5.3
		L.2.5.4
		L.2.5.5
	L.3 Submission, Validation and Rejection of Data Transactions	L.3.1.1
		L.3.1.3
		L.3.1.6
		L.3.1.7
		L.3.1.8
	L.4 Communications Failures	L.4.2.1
		L.4.2.3
		L.4.3.1
		L.4.3.3
		L.4.3.4
		L.4.4.2
		L.4.4.3
	L.5 Data Publication	L.5.4.1

Appendix B SUMMARIES OF OBSERVED ISSUES RESULTING FROM THE CAPACITY AUCTION PROCESS

B.1. ISSUE LOG 008

Issue ID	Affected auction(s)	Issue status	Compliance status
008	2026/2027 T-1 Capacity Auction	Closed	Non-compliant
Summary			
Section E.7.8 of the CMC outlines the Alternative Qualification Process (AQP) which the SOs are to apply under certain circumstances. In the FQRs, the SOs have not followed parts of the process outlined in E.7.8.2.			
Description of Issue			
CMC E.7.8.2 sets out the requirements for the System Operators to determine Qualification Decisions for Candidate Units under the Alternative Qualification Process. For Candidate Units other than Demand Side Units and Generator Units referred to in E.2.1.1(e) that are Variable Generator Units, E.7.8.2(e) requires the System Operators to determine Gross De-Rated Capacity (Existing) using the methodology in E.8.2 and E.8.3. Since for these units nominated Gross De-Rated Capacity (Existing) is not available from the Application for Qualification, the SOs must instead use the product of: - the applicable Initial Capacity (Existing), as determined under E.8.1; and - the applicable De-Rating Factor, without applying any tolerance. Under E.8.1.2(c), where the Alternative Qualification Process applies, the SOs must determine Initial Capacity (Existing) and Initial Capacity (Total) using the approach set out in C.3, as modified by C.3.5. For the units identified below, this points to C.3.2 for the determination of Initial Capacity (Existing). For a Generator Unit that is one of multiple Generator Units Connected at a single Connection Point, C.3.2.1(a)(ii) states that Initial Capacity (Existing) must: (A) not exceed the Generator Unit's Registered Capacity; and (B) when summed with the equivalent value across all Generator Units Connected at that Connection Point is equal to the lesser of: (i) the total Registered Capacity of all the Generator Units Connected at that Connection Point; and (ii) the Maximum Export Capacity (MEC) specified in the relevant Connection Agreement. Based on our review, the FQR values for Initial Capacity (Existing) (ICE) for a set of Generator Units that are all covered by one Connection Agreement [X] are not set according to this formula. By following the formula outlined in the CMC we would expect the sum of ICE to be equal to [X] MW, the lesser of the total Registered Capacity of all Generator Units at that connection point, and the MEC of the Connection Offer.			
CMU ID	Initial Capacity Existing (FQRs)	Generator Unit's Registered Capacity (provided by SOs)	Maximum Export Capacity (provided by SOs)
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]

[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
Total	[X]	[X]	[X]

We also find an instance of non-compliance for [X], which is part of a combined aggregated unit ([X]) that has undergone the AQP process.

For a Generator Unit that is the only Generator Unit Connected at a single Connection Point, C.3.2.1 (a) (i) states that Initial Capacity (Existing) must be equal to the lesser of the Registered Capacity of the Generator Unit, and the MEC specified in the relevant Connection Agreement.

Based on Registered Capacity and MEC values provided to the Monitor by the SOs, we find the Initial Capacity (Existing) for [X] has not been set to the lesser of the two values:

CMU ID	Initial Capacity Existing (FQRs)	Generator Unit's Registered Capacity (provided by SOs)	MEC (provided by SOs)
[X]	[X]	[X]	[X]

Capacity Auction Monitor's Comments

We consider this to be non-compliance with E.7.8.2. As E.7.8.1 relies on compliance with E.7.8.2, we also determine this to be non-complaint with E.7.8.1.

For the 6 units falling under a single connection point, based on our checks, there is a potential shortfall of Initial Capacity (Existing) of [X] MW across the units. If this shortfall were to be added to any of the six units, it would increase the qualified GDRCE, but not so far that it exceeds the value of previously Awarded Capacity (Existing) for these units. Therefore, the Net De-rated Capacity Existing that these units could offer into the Auction would remain 0 MW and there would be no impact on the auction outcomes.

Similarly, for [X], we do not consider this to have had an impact on the Auction. This is because if the Initial Capacity had been set to [X] MW, the calculated Gross De-rated Capacity under E.8.2 would still be smaller than the value of previously Awarded Capacity (Existing) for this unit, and therefore the Net De-rated Capacity Existing that this unit could offer into the Auction would remain at 0 MW.

B.2. ISSUE LOG 010

Issue ID	Affected auction(s)	Issue status	Compliance status
010	2026/2027 T-1 Capacity Auction	Closed	Non-compliant

Summary

CMC section E.8.7 outlines requirements for the Offer Price Caps and Curves. There are a number of CMUs where the Offer Price Caps were either missing or did not align with the requirements of this CMC section in the FQRs published to Participants on 2nd July 2026. The SOs subsequently informed the Monitor that these values were corrected prior to the opening of the Capacity Auction submission window.

Description of Issue

CMC E.8.7.1(a) states that the Offer Price Cap for Demand Side Units (DSU) shall be the Auction Price Cap. For the following DSU below, this was not the case in the FQRs published to Participants on 2nd July 2026.

CMU ID	Price Cap (FQRs)	Auction Price Cap (CAM)
[X]	[X]	[X]

CMC E.8.7.1(c)(iii) states that, where no approved Unit Specific Price Cap applies, the Offer Price Cap for Existing Capacity and repowered/refurbished New Capacity based on previous Existing Capacity is the Existing Capacity Price Cap. For the following units below, this was not the case in the FQRs published to Participants on 2nd July 2026.

CMU ID	Price Cap (FQR)	Existing Capacity Price Cap (CAM)
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]
[X]	[X]	[X]

E.8.7.2 requires that, where a CMU provides Existing Capacity, the System Operators determine an Existing Capacity Offer Price Cap Curve that conforms with the requirements of E.8.7.1. As the relevant price cap does not comply with E.8.7.1, we also consider this to be non-compliant with E.8.7.2.

Capacity Auction Monitor's Comments

We consider this to be non-compliance with CMC E.8.7.1 and E.8.7.2, as the published Final Qualification Results contain incorrect Offer Price Caps. However, the System Operators corrected these values prior to the opening

of the Capacity Auction submission window. We therefore consider this issue to have had no impact on the conduct or outcome of the Capacity Auction.

B.3. ISSUE LOG 011

Issue ID	Affected auction(s)	Issue status	Compliance status
011	2026/2027 T-1 Capacity Auction	Closed	Non-Compliant
Summary			
We find non-compliance with F.4.1.4 as the SOs did not submit the LCC determinations (set out in F.4.1.1) to the RAs by the date specified in the Capacity Market Code.			
Description of Issue			
CMC F.4.1.4 specifies the date that the SOs shall send to the RAs the values it has determined under section F.4.1.1. CMC F.4.1.4 states that: <i>“Regarding prospective adjustments, the System Operators shall make a determination under paragraph F.4.1.1 based on the Provisional SO Qualification Decisions and submit the values to the Regulatory Authorities no later than fifteen Working Days after the Provisional Qualification Results Date and no later than the date set out in the applicable Capacity Auction Timetable”</i> The SOs made the determinations under F.4.1.1 and sent these to the RAs on 15th May 2026. This is later than: 14th May 2026, which is fifteen Working Days after the Provisional Qualification Results Date specified in the timetable of 22nd April 2026 (also the date that the Provisional Qualification Results were actually published on), and 14th May 2026 which is the Prospective Adjustments Submission Date specified in the timetable.			
Capacity Auction Monitor's Comments			
We therefore determine this to be non-compliance with F.4.1.4. We do not believe this to have had an impact on the auction as it relates only to the timing of passing of information between SOs and RAs and did not have any impact on when the Participants received the information via the publication of the FAIP.			

B.4. ISSUE LOG 012

Issue ID	Affected auction(s)	Issue status	Compliance status
012	2026/2027 T-1 Capacity Auction	Closed	Non-compliant

Summary

We identified non-compliance with CMC C.3.5.1(d) relating to the determination of Initial Capacity (Total) where the System Operators are required to determine substitute values.

Description of Issue

CMC C.3.5.1 applies in situations where the SOs are required to determine substitute values for Initial Capacity.

CMC C.3.5.1(d) states that:

"The Initial Capacity (Total) for a Capacity Year shall be equal to Initial Capacity (Existing) if there is no Awarded New Capacity for the Generator, Generator Unit or Interconnector for the Capacity Year, otherwise Initial Capacity (Total) shall be equal to Initial Capacity (Existing) plus the value which the System Operators determine would produce a de-rated contribution of New Capacity equal to the Awarded New Capacity."

For the following [X] Generator Units, the reported Initial Capacity (Total) in the FQRs does not equal the value calculated in accordance with CMC C.3.5.1(d). In these cases, the SOs had to determine substitute values for Initial Capacity as the units were qualified through the AQP process. All these units had previously Awarded New Capacity, and therefore, according to C.3.5.1 (d), their Initial Capacity (Total) should have been set at the value that produced a Gross De-rated Capacity New that is equal to their Awarded New Capacity.

CMU ID	Unit Type	Initial Capacity Total (FQRs)	Initial Capacity Total (CAM)
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]

[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]
[X]	[X]	[X]	[X]

Capacity Auction Monitor's Comments

We consider this to be non-compliance with CMC C.3.5.1(d), as the Initial Capacity (Total) has not been determined in accordance with the methodology set out in the CMC.

While Initial Capacity is used in determining gross de-rated capacity and errors could therefore, in principle, affect the quantity of capacity participating in the auction, this is not the case here. For all affected Generator Units, the Net De-Rated Capacity available to participate in the auction is zero because the CMC requires that the Gross De-rated Capacity New is equal to their Awarded New Capacity. Accordingly, we do not consider this issue to have any impact on the auction outcome.



UK

Queens House
55-56 Lincoln's Inn Fields
London WC2A 3LJ

T. **+44 (0)20 7269 0210**

E. **info@cepa.co.uk**

www.cepa.co.uk

 **cepa-ltd**  **@cepaltd**

Australia

Level 20, Tower 2 Darling Park
201 Sussex St
Sydney NSW2000

T. **+61 2 9006 1307**

E. **info@cepa.net.au**

www.cepa.net.au