

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>
Grange Backup Power Limited	15 th May 2024	Standard	CMC_08_24
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Brian Hastings		brian.hastings@sdclgroup.com	
Modification Proposal Title			
Widening of Longstop Extension Process to Awarded Capacity for 2023/24 Auction			
Documents affected <i>(delete as appropriate)</i>	Section(s) Affected	Version number of CMC used in Drafting	
Capacity Market Code	J.5	11.0	
Explanation of Proposed Change <i>(mandatory by originator)</i>			
<p>Two modifications have been approved by the Regulatory Authorities in relation to extensions to the Longstop Date and the duration of support via the extension of the Capacity Quantity End Date and Time.</p> <ul style="list-style-type: none"> • CMC_15_22, in relation to planning delays for projects which were awarded New Capacity through the 2024/25 T-3 and 2025/26 T-4 Capacity Auctions; and • SEM-23-101 (with drafting provided in SEM-23-108), which provided for a generalised extension mechanism for project delays which occurred both before (J.5.7) and after (J.5.8) Substantial Financial Completion, now open for not only the T-3 and T-4 auction for 2024, but also for all subsequent Capacity Years. <p>This modification seeks to extend the principles of J.5.8 in SEM-23-101 (an application mechanism for an extension post Substantial Financial Completion) to all projects which were awarded New Capacity for all Capacity Years.</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>Amend the following paragraph:</p> <p>J.5.8.1 The provisions of this section J.5.8 apply to Awarded New Capacity with a Maximum Capacity Duration of more than one Capacity Year, allocated pursuant to T-3 or T-4 Auctions for the Capacity Year beginning 1 October 20242023 and to Auctions for subsequent Capacity Years, until such time as the Regulatory Authorities consider appropriate.</p>			
Modification Proposal Justification <i>(Clearly state the reason for the Modification)</i>			
<p>Decision SEM-23-101 was made 30th September 2023. Auctions which had cleared prior to this decision date included (for which the Longstop Date has not yet passed):</p> <ul style="list-style-type: none"> • 2023/24 T-4 • 2023/24 T-1 • 2024/25 T-4 			

- 2024/25 T-3
- 2025/26 T-4
- 2026/27 T-4
- 2027/28 T-4

No rationale was given as to the exclusion or non-consideration of all Awarded Capacity (**bolded** in the list above). Without justification provided, there appears reason to extend a similar extension to these years, particularly in relation to Awarded Capacity which has achieved Substantial Financial Completion from the highlighted auctions, but has faced subsequent delays beyond its control.

The Regulatory Authorities have assessed that SEM-23-101 was not a retrospective change within the meaning of B.12.15 of the Code for Awarded Capacity. Grange Backup Power Limited concurs with that assessment and as such considers that this modification similarly passes as a non-retrospective change.

Ultimately, any extension requested arising from approval of this modification will still be subject to Regulatory Authority review as to the appropriate extension (if any) to either the Long Stop Date or Capacity Quantity End Date and Time.

The proposal is limited to projects which have achieved Substantial Financial Completion as it is Grange Backup Power’s understanding that all such projects awarded New Capacity in the above auctions have met that milestone. Nevertheless, for completeness, similar changes could be made to J.5.7.1.

Code Objectives Furthered

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

This modification furthers the following Code Objectives.

A.1.2 Capacity Market Code Objectives

A.1.2.1 This Code is designed to facilitate achievement of the following objectives (the “Capacity Market 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;
- (d) to promote competition in the provision of electricity capacity to the SEM;
- (e) to provide transparency in the operation of the SEM;
- (f) to ensure no undue discrimination between persons who are or may seek to become parties to the Capacity Market Code; and
- (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)

Generation which has achieved Substantial Financial Completion and cannot deliver in line with the existing Long Stop date will terminate its existing capacity contract and will need to participate in the next available capacity auction. Its access to a subsequent 10-year awarded Capacity Quantity will depend on the status of its capacity at the time of qualification of the relevant auction.

Existing financing for such projects may pressure early decisions to terminate the existing Capacity in order to secure long-term capacity that can be delivered under longer timeframes. This is despite the possibility that Substantial Completion by the Longstop Date may still be achieved.

Impacts

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

No further system, resource, process or procedural impact is envisaged for the TSO.

The Regulatory Authorities may receive more applications in relation to delays and will need to be resourced accordingly.

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.