

SEMC Secretariat, SEM Committee,
Utility Regulator,
Queens House,
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Ref: Supplementary Consultation Paper on modified and combined Modifications to Facilitate Delivery of Capacity

Submitted via email to: CRMsubmissions@uregni.gov.uk and CRMsubmissions@cru.ie

To Whom it May Concern,

On behalf of Castlelost FlexGen Ltd (CLFG), we would like to thank the Single Electricity Market Committee (SEM-C) for providing stakeholders the opportunity to comment on the *Supplementary Consultation Paper on Modified and Combined Modifications to Facilitate Delivery of Capacity (the Consultation)*. The modifications that influence the future delivery of capacity to the market will help to ensure the security of supply for the Irish grid and the viability of projects from developers across the country.

The Consultation provides valuable insight into the challenges facing the SEM-C regarding the projects seeking modifications due to delays. The types of delays experienced by the developers have been numerous and have presented a unique challenge for the SEM-C in addressing these modification requests in the most efficient way possible. Considering the insight outlined in the Consultation, we soundly support the SEM-C's overall approach to addressing the modification requests.

The case-by-case approach for granting extensions as suggested by the SEM-C is reasonable and provides the Committee with flexibility in making its decisions, while also maintaining the integrity of the objectives set forth in Section A1.2.1 in the Capacity Market Code (CMC) such as: facilitating an efficient Capacity Market, promoting competition, ensuring no undue discrimination between market participants, and all while promoting the interests of consumers and ensuring the security of supply.

CLFG broadly supports each of the proposals suggested by the SEM-C in Section 2 of the Consultation. We would like to specifically comment on the following:

- *"...if the delay is due to a backlog in New Capacity seeking environmental permits, if the SEM Committee extends the SFC deadline, there is no automatic extension in the LSD and the New Capacity will still be expected to bear contract erosion."*
 - CLFG Comment: We are currently facing delays to our project, in part, due to workload related backlogs in processing of Industrial Emissions License determinations by the EPA and we need to avail this facility. Therefore, we support this element being incorporated in the final code modification.

- *“...if this modification applies to specific auctions, the provisions should apply to multi-year New Capacity winners of all T-3 and T-4 auctions held to date, up to and including the 2027/28 T-4 auction.”*
 - CLFG Comment: We appreciate the approach taken by the SEM-C when considering which auctions should apply for this most recent modification. The SEM-C would be encouraged to ensure that the criteria used in assessments captures variable factors by taking a holistic view of what a given project is facing at a particular time including internal and external factors that may be impacting a project.
- *“...allow New Capacity which has been granted SFC extensions prior to the implementation of this Modification, but have not yet met SFC, to apply to the RAS for extensions to their Long Stop Dates and Capacity Quantity End Date.”*
 - CLFG Comment: Given that current deadlines for the Substantial Financial Completion (SFC) have been exceeded, this is a sensible approach and supports the financial viability of New Capacity that has not yet reached SFC.
- The mechanism outlined in Section 2.2 *“...for the SEM Committee to approve extensions to the Long Stop Date and Capacity Quantity End Date and Time for specific auctions.”*
 - CLFG Comment: The application criteria presented to applicants and the foreseen mitigated risks highlights the balance the SEM-C has sought when formulating the process for assessing extensions for New Capacity.

As an active developer of new capacity under the T-3 and future capacity auctions, CLFG appreciates the cooperative role of the SEM-C during this consultation and modification process for delayed New Capacity. We continue to value the SEM-C’s transparent processes with industry stakeholders and look forward to seeing the final proposed mechanism in detail.

Signed: 

Paul Collins
Lumclon Energy Ltd, on behalf of Castlelost FlexGen Ltd.