



committee

**Single Electricity Market
(SEM)**

**Update of the Postponement of
Directed Contract Round 18**

SEM-22-011

4 April 2022

1. Introduction

- 1.1 On March 16th 2022, the SEM Committee published a notification to market participants of their decision to postpone Quarterly Directed Contracts (DC) Round 18 ([SEM-22-008](#)).
- 1.2 The Regulatory Authorities (RAs; i.e. CRU and UREGNI) are now, hereby notifying market participants of their decision to further postpone Quarterly Directed Contracts (DC) Round 18 until at least mid-May 2022.
- 1.3 The Primary Subscription Window of DC Round 18 was scheduled to take place from 22nd to 24th March 2022 inclusive, with the associated Supplemental Subscription Window on 31st March 2022. DCs in Round 18 cover quarterly segments for the periods: Q3 2022, Q4 2022, Q1 2023 and Q2 2023.
- 1.4 Within the notification ([SEM-22-008](#)), the SEM Committee informed market participants of a minimum two-week postponement of DC Round 18 due to the unprecedented, sustained, and significant volatilities in commodity markets in recent weeks.
- 1.5 The RAs have obtained external consultancy support and are currently liaising with consultants to conduct further analysis and consider any potential amendments to the process of forecasting DC pricing formulae within a highly volatile commodity price environment. The RAs are continuing to progress this work. However, more time is required to allow for analysis.
- 1.6 Therefore, the RAs have decided to postpone DC Round 18 subscriptions windows until at least mid-May 2022. The RAs intend to provide an update to market participants regarding the matter in the coming weeks.
- 1.7 The RAs emphasise that the current decision made by the SEM Committee is to further postpone, rather than cancel, DC Round 18.
- 1.8 The RAs note that increases in commodity prices, changes to scheduled outage profiles and previously sold volumes contributed to zero Baseload volumes and zero Mid-Merit volumes for Q3 2022. When DC Round 18 modelling recommences, the

RAs would re-run modelling with the most up to date information, including outage profiles, which might result in a different volume offer for Q3 2022.

- 1.9 Should market participants have any queries or observations regarding SEMC's decision as outlined in this Information Paper, please contact the RAs: mmg@cru.ie or kevin.baron@uregni.gov.uk.