

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>
UR	5 th May 2021	Standard	CMC_08_21
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Kevin Lenaghan		Kevin.lenaghan@uregni.gov.uk	
Modification Proposal Title			
Ex-post Verification of Compliance with the CO ₂ Limits			
Documents affected <i>(delete as appropriate)</i>	Section(s) Affected	Version number of CMC used in Drafting	
CMC	I.1.2	4.0	
Explanation of Proposed Change <i>(mandatory by originator)</i>			
<p>This proposal has been submitted to align the CRM with the ex-post validation recommendations in ACER Option 22 /2019 on the calculation of CO₂ limits. The Opinion, in article 9, only recommends ex-post validation where the CO₂ emissions are expected to vary significantly from year-to-year, i.e. Mixed fuels, waste (which is a mixed fuel in itself) and CO₂ sequestration.</p> <p>In line with the Opinion, the test is made on the basis of a report after the Capacity Year is over and we propose this report be submitted within three months of the end of the Capacity Year, i.e. by the end of December.</p> <p>As a Modification to the CMC, the only available sanction within the Code is via the default process set out in B.13 of the Code. Implementation of any form of financial penalty would require Modification of the TSC and is outside of the scope of this proposal</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>			
Add new sub-section to I.1.2:			
I.1.2A	Ex-post Verification of Compliance with the CO₂ Limits		
I.1.2A.1	In addition to its other obligations under this Code, the Participant shall, in respect to each of its Capacity Market Units that either		
	(a)	burns mixed fuel as defined in Article 3(34) of Regulation (EU) 2018/2066;	
	(b)	burns waste as defined in point (1) of Article 3 of Directive 2008/98/EC, excluding substances that have been intentionally modified or contaminated in order to meet this definition; or	
	(c)	is a unit where CO ₂ is captured and transferred as described in points (a) and (b) of the first subparagraph of Article 49 of	

Regulation (EU) 2018/2066

should provide, to the Regulatory Authorities, evidence of its compliance with the CO₂ Limits in each Capacity Year by the end of [December] following the end of such Capacity Year.

I.1.2A.2 Where a Participant is required to make a submission under paragraph I.2A.1, the Regulatory Authorities may request further information or clarification, including a report certified by a third-part verifier, by written notice to the Participant identifying the further information or clarification required and specifying a timeframe for providing it.

I.1.2A.3 If the Participant is unable to provide evidence of the compliance of a Capacity Market Unit with the CO₂ Limits within the required timeframe, then they shall be considered in material breach of this Code in respect of such Capacity Market Units.

Modification Proposal Justification

(Clearly state the reason for the Modification)

The CMC requires modification to capture the requirements for capacity mechanisms set out in Regulation 2019/943 which forms part of the European Clean Energy Package arrangements and which is elaborated in ACER Opinion 22/2019.

Code Objectives Furthered

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

- (e) 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;
- (f) 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;
- (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)

If this Modification Proposal were not to be implemented then the CMC would not reflect the recommendations set out in the ACER Opinion which relate specifically to Capacity Mechanisms and risk being in conflict with EC Regulations.

Impacts

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

The Modification is expected to add only manual processes for a limited number of CMUs.

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.