



19 September 2022

Our Ref: D/22/21272

Margaret McCarthy,
Interim Group Head of Regulation
EirGrid PLC
The Oval
160 Shelbourne Road
Dublin 4
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Sent by email: Margaret.McCarthy@Eirgrid.com

Re: Clarification to CRU Direction to EirGrid (CRU/22/14575) for the 2026/27 T-4 Capacity Auction, and threshold de-rating factor to be applied

Dear Margaret,

On 24 June 2022, as provided for in CRU/20/060¹, the CRU directed² EirGrid to issue a grid connection offer to any applicant located within the Ireland Level 1 Locational Capacity Constraint Area (LCCA) that is successful in the T-4 Capacity Auction for 2026/27, taking into account certain requirements and considerations, as specified in the Direction. On foot of modifications to the LCCAs in the 2026/27 T-4 IAIP³, the CRU wishes to clarify that the Grid Direction (CRU/22/14575) applies to both L1-2: Ireland and L1-3: Greater Dublin.

The Direction stated that EirGrid should take into account the de-rating factor of any successful unit and whether the issuing of an offer to the successful unit would be consistent with the objective of the Direction. The de-rating factors for the 2026/27 T-4 Capacity Auction were consulted⁴ on by the SEM Committee, and a decision⁵ was published on 11 August 2022. The final values were included in the Initial Auction Information Pack published on 9 September 2022. The Direction noted that once these final values had been determined, the CRU, through dialogue with EirGrid, would specify the threshold de-rating factor to be applied for the purposes of the Direction. Further to this dialogue, CRU are of the view that the appropriate threshold de-rating (post application of the ARHLdf) is 0.5, meaning that successful units with a final de-rating of 0.5 or higher should be issued a grid connection offer under the Direction.

¹ <https://www.cru.ie/wp-content/uploads/2020/06/CRU20060-ECP-2-Decision.pdf>

² <https://www.cru.ie/wp-content/uploads/2022/06/CRU202258a-CRU-direction-to-EirGrid-T-4-2026-27.pdf>

³ https://www.sem-o.com/documents/general-publications/Initial-Auction-Information-Pack_IAIP2627T-4.pdf

⁴ <https://www.semcommittee.com/publications/sem-22-015-crm-parameters-consultation-t-4-202627-capacity-auction>

⁵ https://www.semcommittee.com/sites/semc/files/media-files/T-4_2026_27_Parameters_Decision_Paper_0.pdf



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A similar clarification is being issued to ESB Networks and it is expected that the system operators will engage with each other regarding the details of implementing these Directions.

Your sincerely,

(no signature required – sent by email)

John Melvin
Director of Security of Supply and Wholesale
Commission for Regulation of Utilities

Cc: Donal Crean, ESB Networks DAC
Siobhán O'Shea, EirGrid, Head of Customers & Connections
Anne Fitzgerald, EirGrid, Head of Market Interface