Competitive MAC Framework

November 2025

An tÚdarás Rialála Limistéir Mhuirí (MARA)
Maritime Area Regulatory Authority

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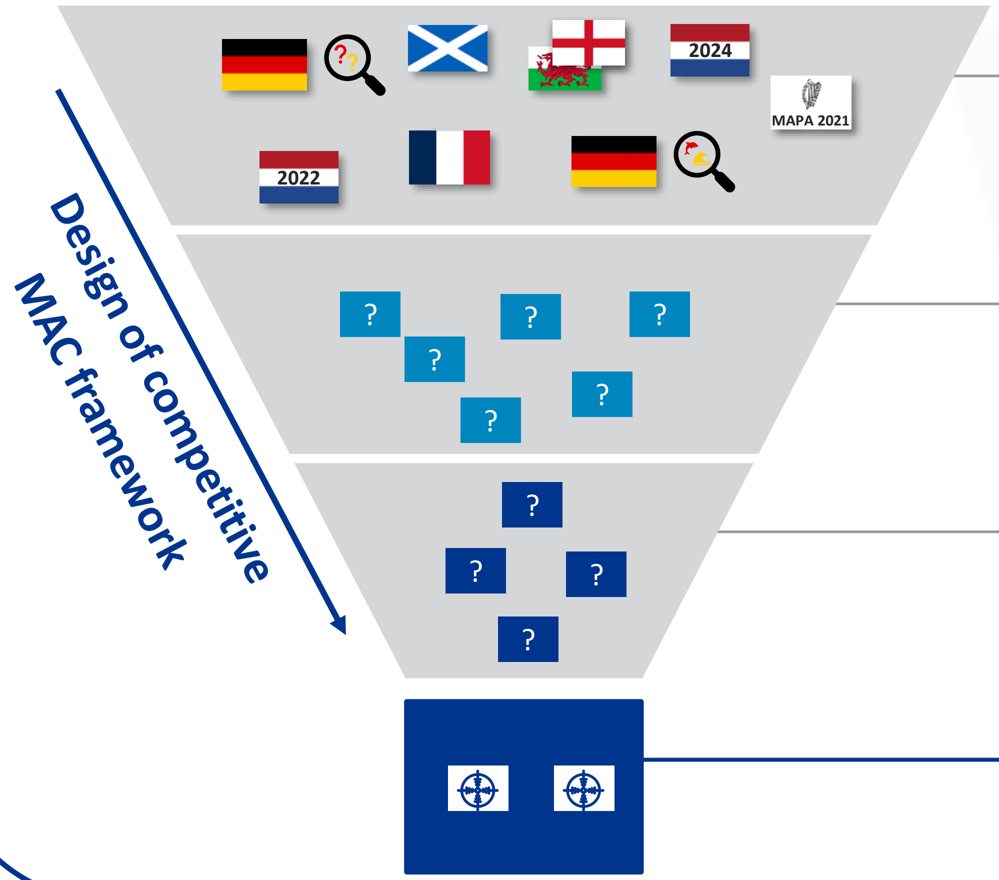
MAC competitive Framework

Design choices

Indicative weighting sheet

MARA, with the support of Baringa Partners LLP, has developed a comprehensive competitive MAC framework to be used and adapted for each round

Staged design process



Long-list of options & criteria

- Identifying the design options and assessment criteria, informed by international experience, MAPA 2021 and Ireland's specific context

Initial assessment

- Assessment of options and criteria against objectives and design principles

Consultation

- Refinement of the framework and initial assessment based on the feedback received in the consultation

Final framework

- Final preferred design
- Indicative weighting matrix

Design choices refined ahead of each individual MAC allocation round based on the Framework and factoring in:

- Site characteristics: technology, location and site conditions
- Auction type: route-to-market, grid arrangement, single or multiple sites
- EU and Irish policy development incl. NZIA and RAAs
- Market conditions
- Stakeholder feedback on proposed design

NZIA: Net Zero Industry Act | RAAs: Renewable Acceleration Areas
Source: Baringa

We identified key design elements for the framework and compiled a set of options for each, based on international best practices and Ireland's specific context

- **Design**
  - **Allocation model**
    - Qualification
      - Capability pre-qualification
      - Plan-based assessment
      - Capability post-qual
    - Competitive allocation
      - Price Only
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      - Non Price Factors
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      - Profit Share
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      - Price bid with floor
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    - Bid mechanism
      - Sealed bid
      - Ascending clock
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      - Metrics and standards
      - Pass-fail
      - Scored out of 10
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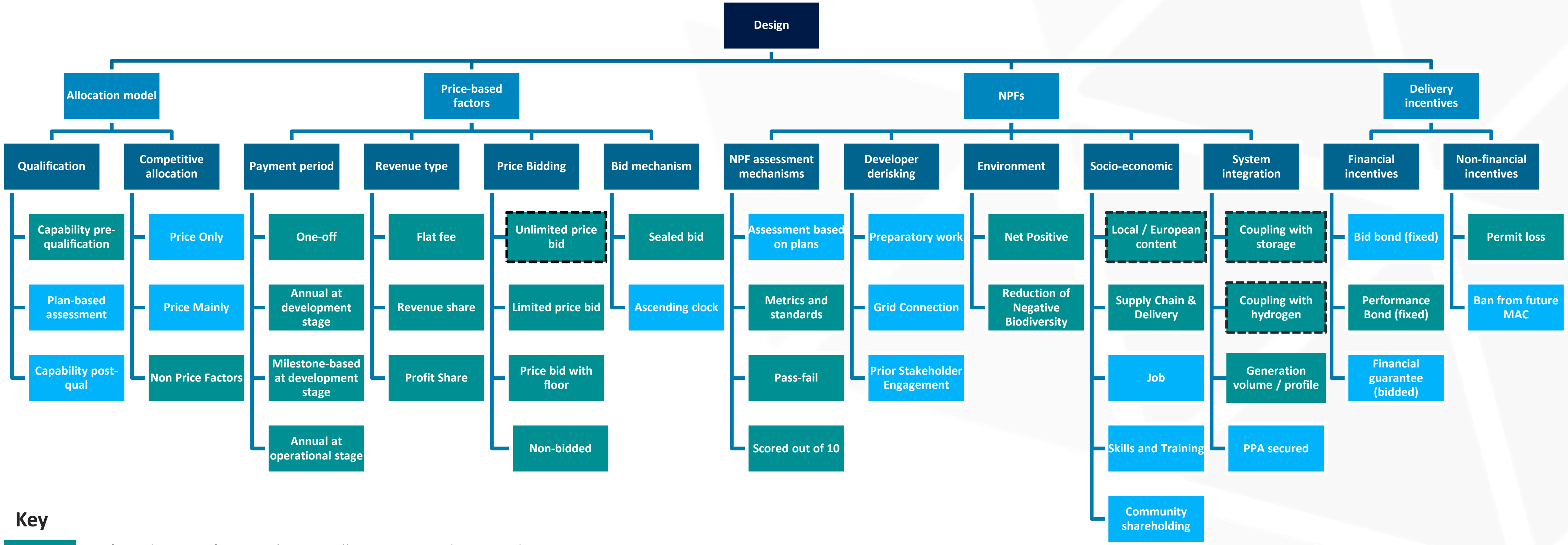
      - Preparatory work
      - Grid Connection
      - Prior Stakeholder Engagement
    - Environment
      - Net Positive
      - Reduction of Negative Biodiversity
    - Socio-economic
      - Local / European content
      - Supply Chain & Delivery
      - Job
      - Skills and Training
      - Community shareholding
    - System integration
      - Coupling with storage
      - Coupling with hydrogen
      - Generation volume / profile
      - PPA secured
  - **Delivery incentives**
    - Financial incentives
      - Bid bond (fixed)
      - Performance Bond (fixed)
      - Financial guarantee (bidded)
    - Non-financial incentives
      - Permit loss
      - Ban from future MAC

The Framework sets out preferred and non-preferred design choices for early and later rounds, and confirms that refinements will be made before each round



Key

- XX — Preferred option from early MAC allocation rounds onwards
- XX (dashed outline) — To be considered for later MAC allocation rounds
- XX — Non-preferred option

Policy objectives and auction design principles have been defined to assess each option individually within the Framework and identify those with the best trade-offs

We established five design principles to ensure that all design choices are practical and proportionate

Design principles
Simple
Objective
Flexible
Collaborative
Appropriate

We defined a purpose statement for the Framework that was declined into primary and secondary objectives

Purpose of competitive MAC allocation
Enable Ireland to pursue its climate and energy ambitions, whilst benefiting its people and environment

Policy objectives
Primary Objective
Timely delivery of volume of energy
Secondary Objectives
Cost effectiveness for consumers
Social & environmental value creation
Innovation
Supporting a secure and resilient energy system

Source: Baringa

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Feedback from the consultation has been instrumental in refining the Framework, resulting in a design that is aligned with industry priorities

Consultation process

MARA conducted a stakeholder consultation on the Framework and initial design choices, which ran until 30 September 2025. A total of 12 contributions were received from government departments, industry associations, and offshore wind developers. These responses were summarised and addressed in the Report on stakeholder engagement. The feedback presented on this page has been incorporated into the final design options and choices within the Framework.

Summary of the feedback received

- **General support**: Respondents broadly supported MARA’s proposed competitive MAC framework and emphasised the importance of aligning it with wider policy areas, including grid access, route-to-market mechanisms, and EU policy developments.
- **Transparency & flexibility**: Stakeholders highlighted the need for transparent decision-making, particularly regarding the rationale behind preferred and non-preferred options, and called for a flexible framework that can adapt to evolving policy and market conditions.
- **Pre-Qualification (PQQ)**: There was a clear preference for a light-touch and objective pre-qualification process, with transparent, pass/fail criteria tailored to each auction round.
- **Award criteria**: Most respondents favoured giving greater weight to non-price factors (NPFs) over price-based factors (PBFs), provided that NPFs are clearly defined, measurable, and proportionate.
- **Payment and levy structure**: Stakeholders preferred phased or operational-stage payments over high upfront fees and recommended the use of caps and floors to prevent unsustainable bidding.
- **Non-Price Factors (NPFs)**: Environmental NPFs were widely supported, provided that they are practical and based on international best practices and do not require access to marine condition data. For socio-economic NPFs, supply chain development was seen as the most appropriate focus for the current market, while concerns were raised about the feasibility of implementing skills and training initiatives and community shareholding requirements.
- **Delivery incentives**: Respondents recommended that financial delivery incentives should be milestone-based and flexible, accounting for elements outside of developers’ control, and with a preference for letters of credit over cash-backed bonds. Permit loss was viewed as an appropriate last-resort non-financial incentive.
- **PPAs & MoUs**: Most respondents advised against requiring Power Purchase Agreements (PPAs) or Memoranda of Understanding (MoUs), suggesting that such requirements could be premature at MAC allocation stage.
- **Demonstration rounds**: For demonstration and floating wind rounds, stakeholders recommended the use of tailored criteria and a reduced emphasis on price to better support innovation and emerging technologies.

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The chart below details the expected procedure and task allocation between the DCEE and MARA to launch individual MAC allocation rounds based on the Framework

An Roinn Aeráide, Fuinnimh agus Comhshaoil
Department of Climate, Energy and the Environment

Defining overarching offshore wind policy and decision to launch a call

The Department of Climate, Energy and the Environment (DCEE) is responsible for adopting overarching offshore wind policy and setting strategic priorities that may lead to launch a MAC allocation round. These decisions include:

Site selection: Identifying which location is most suitable for development

Project timing: Establishing when to launch a MAC allocation round and delivery targets

Data: Assessing what data bidders should receive, and decide to run central derisking where needed

Route-to-market and grid availability: Assessing whether successful bidders in the MAC allocation round will receive grid access and a route-to-market e.g., an ORESS contract

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Consultation on details of the MAC allocation round

Once the DCEE decides to initiate a MAC allocation round, MARA **assesses the round's specific characteristics** and the prevailing market conditions, and **runs a consultation** on the details of the call.

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Finalising round specifications and launching the call

MARA **finalises the specifications** of the call accounting for feedback received during the consultation and **opens the MAC allocation round**

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Assessing bids and publishing results

Once the MAC allocation round is closed and applications have been received, **MARA assesses bids** based on price and non-price factors adopted for the call and **publishes results**

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Key for design assessment and international examples cited in the Design Choice section

Design assessment

Symbol	Meaning
● (teal)	Preferred option from early MAC allocation rounds
○ (teal)	To be considered for later MAC allocation rounds
● (light blue)	Non-preferred option

International examples

Flag / Symbol	Auction round	Year	
Germany	All recent German offshore wind auction rounds	2023-25	Key study cases with systematic review
Germany (magnifier)	Auctions for centrally pre-developed areas	2023-25	
Germany (magnifier ?)	Auctions for non-centrally pre-developed areas	2023-25	
Scotland	ScotWind leasing round	2021	
England / Wales	Offshore Wind Leasing Round 5	2025	
Netherlands	Common to HKW (2022) and IJV (2024) tenders	2022 & 2024	
Netherlands 2022	Hollandse Kust (west) Wind Farm Zone VI & VII (HKW VI & VII)	2022	
Netherlands 2024	Ijmuiden Ver Alpha & Beta (IJV Alpha & Beta)	2024	
France	Appel d'Offres 6, 7 & 8 (AOs 6-8)	2022-2025	
UK	UK Contract for Difference Allocation Rounds	2022-25	Additional examples for specific design options
USA	Auctions of the Bureau of Ocean Energy Management (BOEM)	Until 2024	
Belgium	Princess Elizabeth Zone tender (PEZ)	2026	

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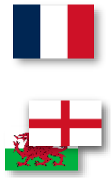
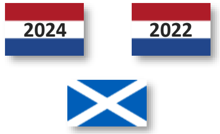
Capability assessment PQQ is the preferred option for qualification, providing the best-trade off between simplicity, certainty and contribution to deliverability

Design element	Role in the framework
Qualification	Qualification serves to ensure that only applicants who meet defined financial and technical capability thresholds are permitted to secure a MAC through the competitive MAC allocation process, thereby supporting the deliverability of projects.

Design choice	Int. example	Description	Assessment and rationale	
Capability assessment pre-qualification		**Two-stage process** - A separate pre-qualification round is conducted to check that bidders meet simple financial and technical criteria before they can participate in the main allocation process.	● Preferred option	• Separate pre-qualification rounds provide visibility to developers ahead of the formal award stage and ensure that only qualified capable bidders proceed, thereby reducing delivery risks. It does add a small administrative cost for MARA and developers compared to a single-stage process. • Reflecting feedback received during the consultation, MARA will set out and seek further views on appropriate and simple financial and technical capability metrics with associated thresholds. Examples of such metrics include requiring experience in developing and/or operating a specified capacity of offshore wind or maintaining a minimum annual turnover over a defined period. • Special consideration will be given to any floating demonstration rounds, as these are likely to require different criteria compared to other types of rounds. • In addition to that, developers' capabilities might also be assessed as part of a Supply Chain & delivery NPF at auction award stage.
Plan-based assessment		**Single-stage process** - Applicants are assessed within the allocation round itself, where both their financial and technical capabilities and the quality of their delivery plans are evaluated together.	● Non-preferred option	• Assessing bidders' pre-qualification status based on submitted plans substantially increases administrative costs for both MARA and developers, and also introduces the risk of subjectivity into the evaluation process.
Capability assessment post-qualification	No example identified	**Single-stage process** - Only the winning bidder's financial and technical capabilities are assessed after selection, and if the bidder fails, the next highest-ranked applicant is selected.	● Non-preferred option	• Assessing the capability of only the winning bidder after selection reduces upfront administrative costs. However, it introduces uncertainty for bidders and the risk of delays and reduced competition if the selected bidder fails to meet the required standards and must be replaced.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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For the competitive allocation stage, Non-Price Factors Mainly is the preferred option considering the offshore wind market context and the focus on deliverability

Design element	Role in the framework
Competitive allocation	Competitive allocation sets out the high-level structure of process through which qualified bidders compete to secure the MAC(s) for a given project(s), with a key trade-off between allocation on the basis of Non-Price Factors (NPFS) and Price-Based Factors (PBFs).

Design choice	Int. example	Description		Assessment and rationale
Price Only		Price-only awards project rights solely on the basis of the highest financial bid.	●	• A price-only allocation model, which awards rights solely on the basis of financial bids may encourage speculative offers and high prices. • This can potentially maximise revenues for the State but increases the risk of projects failing to deliver due to economic viability issues. • This approach tends to limit incentives for bidders to contribute to other objectives of the Framework due to focus on cost minimization.
Price Mainly		Price-mainly uses a weighted scoring system in which the financial bid accounts for more than half of the total score, with the remainder based on NPFs.	○	• A price-mainly model, where financial bids make up more than half of the overall score, can still drive high prices but allows for some consideration of non-price factors. • It offers a more balanced approach although it may still prioritise revenue over broader policy objectives.
Non-Price Factors Mainly	2022 2024	NPFs mainly uses a weighted scoring system in which NPFs account for more than half of the total score, with the remainder based on price.	●	• An allocation model that is mainly weighted towards non-price factors and allows to place greater emphasis on timely delivery and contribution to wider policy objectives. • It may add administrative complexity which can be mitigated by designing simple NPFs that are easily measurable and assessed (see NPF assessment mechanisms). • Given the early-stage nature of the competitive MAC allocation, the current offshore wind market environment and the focus on deliverability, this option is assessed as the most suitable for the Framework and will be subject to refinement ahead of each round to determine precise weighting.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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All options for payment periods are kept within the Framework, and will require careful design in each round to balance trade-offs and account for specific context

Design element	Role in the framework
Payment period	Payment period sets out when financial obligations, such as fees or levies, are due from successful bidders, influencing project cashflow, developers' commitment to project development and delivery incentives. Several payment periods are likely to be combined as they serve complementary roles.

Design choice	Int. example	Description	Assessment and rationale
One-off	2022	One-off payments are made as a single lump sum immediately after the award of the MAC.	● • One-off payments can secure developers' commitment to develop the project and therefore contribute to timely delivery. • However, one-off payments do not encourage fast delivery and may place a significant upfront financial burden on developers, although this risk can be mitigated by introducing payment caps or non-bidded payment elements.
Annual at development stage		Annual payments at the development stage are made each year during the development phase until the project reaches commercial operation.	● • Annual payments at the development stage provide an incentive for timely delivery as developers want to reach operation to avoid ongoing costs. • This model helps spread costs over the development period, but may increase overall project costs and may not account for delays outside of developers' control unless appropriate mitigation measures are taken.
Milestone-based at development stage	No example identified	Milestone-based payments at the development stage are made at specific points of time when key development milestones (e.g., planning or Final Investment Decision) are achieved prior to project commercial commissioning.	● • Milestone-based payments at the development stage link financial obligations to project progress, and balance incentives for delivery with financial burden for developers ahead of commissioning. • However, that model requires careful design to ensure it is effective and manageable.
Annual at operational stage	2024	Annual payments at the operational stage are made each year once the project is commercially operational.	● • Annual payments at the operational stage are aligned with project revenues and are less costly for developers in present value terms. • However, they do not incentivise early delivery and may be passed on to consumers e.g. through ORESS bids (economic theory suggests that marginal costs are typically passed through while sunk costs may not be).

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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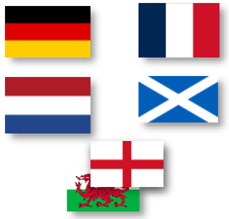
Regarding revenue type, a combination of flat fee(s) and revenue share is considered to offer the most balanced trade-off between efficiency and administrative simplicity

Design element	Role in the framework
Revenue type	Revenue type determines the nature of payments made from the successful bidder to the State, whether these payments are linked to project cash flows and how.

Design choice	Int. example	Description	Assessment and rationale
Flat fee		Flat fee involves a set payment, which may be indexed, and is determined *ex ante*. Flat fee payments may be one-off or recurring, and either bidded or non-bidded.	• Flat fees benefit from administrative simplicity and are the only identified option for pre-operation payments given the absence of project revenues in that period.
Profit share	No example identified	Profit share requires the successful developer to pay a percentage of its overall profit or profit above a reference level. It is only applicable during the operational phase and requires a precise methodology for determining profit.	• Profit share is a theoretically attractive option. Profit share payments are indeed unlikely to impact project deliverability nor to be fully passed on to consumers. • However, there is general consensus to exclude that option as it is considered too complex to design and to implement, in particular the definition of profit, and lacks any comparable mechanism internationally.
Revenue share	Levy Framework	Revenue share requires the successful developer to pay a percentage of its overall revenue or revenue above a reference level or price. It only applies at operational stage and corresponds to the way the Operational Stage Levy operates under the current Levy Framework.	• Revenue share is predictable and is unlikely to impact project viability. This is the model used under the current Levy Framework and is well understood by the industry. • However, revenue sharing payments carry a risk of being passed on to Irish consumers, particularly in cases where an ORESS support contract is in place.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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The Framework retains caps, floors and non-bidded elements as preferred options to ensure the process delivers sustainable bids while allowing for differentiation

Design element	Role in the framework
Price bidding	Price bidding outlines whether and how bidders can differentiate themselves through financial offers (or PBFs) at auction award stage. It impacts the competitive dynamics of the competitive MAC allocation process. Different price bidding mechanisms can be combined within a round if several payment periods or types are implemented.

Design choice	Int. example	Description		Assessment and rationale
Unlimited price bid		Bidders submit the price they are willing to pay for the MAC, with no cap imposed by MARA.	○	• Unlimited price bidding is not preferred in early MAC allocation rounds because it can lead to speculative or excessively high bids. At this stage, bidders can lack sufficient information to make accurate assumptions, which can increase the risk of non-viable projects and undermines overall deliverability. • International experience shows that while this approach can maximise state revenues, it can result in developers cancelling projects. • Depending on the evolution of the offshore wind market, uncapped bids could however become a viable option in later rounds.
Limited price bid		The payment by the winning bidder is limited either by a price cap in the auction or by a second-price mechanism, where the highest-ranked bidder pays the amount offered by the second highest-ranked bidder.	●	• Limited price bidding is assessed as a preferred option, as it allows for competitive differentiation while protecting against unsustainable bids. • Potential price caps are calibrated ahead of each round to ensure that it strikes the right balance between deliverability and differentiation between bidders.
Price bid with floor	No example identified	Bidders submit the price they are willing to pay for the MAC, but a minimum acceptable bid (floor) is set by MARA. Only bids at or above this floor are valid.	●	• Floors are assessed as a preferred option and can act as a safeguard to ensure that the value of the seabed is appropriately recognised. • Floors have been introduced to the framework following the consultation.
Non-bidded	Levy Framework	Prices or fees are set administratively by MARA rather than through competitive bidding. The successful bidder pays the pre-determined amount.	●	• Non-bidded (administratively set) fees are considered appropriate for certain payment elements, particularly where stability and predictability are required e.g., for payment elements with a high pass-through risk for customers. • However, non-bidded fees limit competitive differentiation and <u>are best used in combination with bidded elements</u>. The framework retains this option to allow for tailored solutions in different rounds.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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Sealed bid is assessed as the preferred bid mechanism as it is widely used, is simple to implement and allows for price and NPFs to be easily combined

Design element	Role in the framework
Bid mechanism	The bidding mechanism outlines the auction structure and determines how bids are submitted.

Design choice	Int. example	Description	Assessment and rationale
Sealed bid		All bidders submit their best and final offers simultaneously, without knowledge of other participants' bids. The highest or most competitive bid is selected after all bids are opened.	• In international auctions, sealed bids are widely used and are administratively simple. Sealed bids are particularly relevant in mixed auctions, where price and NPFs are combined, as they allow for price to be translated into a score. • Using a second-price mechanism, where the winner pays the price bidded by the second highest bid, or capping bids can help mitigate the risk that the successful bid is an outlier that may be unsustainable for delivery.
Ascending clock		Bidding occurs in multiple rounds, with the price increasing in each round. Bidders remain in the auction by accepting the new price or exit if they are not willing to pay more.	• Ascending clock auctions are effective in price-only auctions as they reveal bidders' willingness to pay and reduce the risk of overbidding. • However, ascending clock auctions are complex to implement and are associated with a high administrative cost. They are therefore assessed as a non-preferred option.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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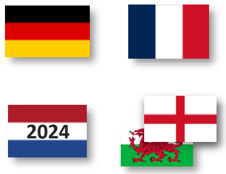
NPF assessment based on metrics and standards, with pass or fail at PQQ stage and scores at award stage, is the preferred approach for NPF assessment mechanisms

Design element	Role in the framework
NPF assessment mechanisms	NPF assessment mechanisms outline how NPFs are evaluated and translated into scores, which can then be combined with price.

Design choice	Int. example	Description	Assessment and rationale
Assessment based on plans		Applicants are evaluated on the quality and credibility of the plans they submit, such as a delivery plan or a non-financial value creation strategy. The assessment is qualitative and considers the quality and feasibility of the plans.	Non-preferred option • Assessment based on plans is assessed as a non-preferred option as it risks introducing subjectivity and inconsistency in the bid evaluation process. Plans also represent a higher administrative cost than metrics-based approaches both for MARA and ORE developers.
Metrics and standards		Applicants are assessed against predefined quantitative metrics or standards. Evaluation is based on meeting or exceeding these objective criteria.	Preferred option • Metrics and standards are strongly preferred for NPF assessment, as they provide clear, objective, and transparent criteria. This approach reduces administrative burden and ensures fairness and transparency in the evaluation process. Stakeholder feedback consistently supports the use of quantitative metrics.
Pass-fail		Applicants are evaluated on the basis of specific minimum requirements, resulting in a binary outcome of pass or fail.	Preferred option • Pass-fail assessment is favoured for PQQ, ensuring that only credible and capable bidders proceed to the auction. This approach is simple, transparent, and minimises barriers to entry while maintaining minimum standards.
Scored out of 10		Applicants or proposals are assigned a numerical score, typically on a scale from 0 to 10, for specific criteria. The scores can then be used to rank or differentiate between bids.	Preferred option • Scoring out of 10 is preferred for allocation-stage NPFs, as it allows for differentiation between bids and for combining multiple criteria. • This method is widely used in international best practice and is compatible with both qualitative and quantitative criteria, noting that qualitative criteria are unlikely to be implemented in MAC allocation rounds.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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Developer derisking NPFs are assessed as non-preferred options as they could lead to duplication of effort and create undue barriers to entry in MAC allocation rounds

Design element	Role in the framework
Developer derisking NPFs	Developer derisking NPFs consider how preparatory actions taken by bidders prior to allocation rounds can be assessed in the MAC allocation process and scored as an NPF.

Design choice	Int. example	Description	Assessment	Rationale
Preparatory work	No example identified	Assessment considers the extent and nature of preparatory activities already undertaken by the applicant, such as surveys or studies.	●	• Developer derisking NPFs are assessed as non-preferred options due to the risk of duplication of effort between developers and of creating unnecessary barriers to entry. • Instead, any derisking efforts ahead of MAC allocation rounds should be coordinated by MARA and other Government entities to maximise efficiency.
Grid Connection	No example identified	Assessment includes whether the applicant has secured or planned for a grid connection agreement.	●	
Prior Stakeholder Engagement	No example identified	Applicants are evaluated on their engagement with stakeholders prior to the application, such as consultations or community meetings.	●	

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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Environment NPFs directly contribute to policy objectives and are broadly supported, but must be simple and practical to prevent introducing undue costs or complexity

Design element	Role in the framework
Environment NPFs	Environment NPFs consider how environmental commitments or actions taken by bidders can be assessed in the MAC allocation process and scored as an NPF.

Design choice	Int. example	Description	Assessment and rationale
Net Positive	 	Applicants are assessed based on the measures and commitments taken to support biodiversity enhancement.	• Environmental NPFs that aim to deliver both a net positive impact and a reduction in negative biodiversity effects are broadly supported by stakeholders and align with the policy objective of *Social & Environmental Value* Creation. • Given the early stage of the competitive MAC allocation process and the need to balance other policy objectives such as *Cost effectiveness for consumers*, the design of environmental NPFs will remain practical, measurable, and consistent with international best practices. • The framework favours clear and actionable commitments over complex, outcome-based criteria. Examples include the adoption of specific technologies to mitigate environmental impacts during the construction phase, or financial contributions towards environmental protection. Relevant precedents can be found in France and the Netherlands (Ijmuiden Ver), where environmental NPFs are designed to be quantifiable. • Importantly, the NPF design will take into account the level of marine environmental knowledge available to bidders at the time of submission, ensuring that no detailed marine data is required to respond effectively.
Reduction of negative biodiversity impacts	 	Applicants are assessed based on the measures and commitments taken to reduce negative impacts on biodiversity.	

Key Preferred option from early MAC allocation rounds onwards | To be considered for later MAC allocation rounds | Non-preferred option

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Supply Chain NPFs are assessed as the most suitable socio-economic NPF for early rounds, while a local or European content NPF could be considered in later rounds

Design element	Role in the framework
Socio-economic NPFs	Socio-economic NPFs consider how commitments or actions taken by bidders and contributing to socio-economic policy objectives can be assessed in the MAC allocation process and scored as an NPF.

Design choice	Int. example	Description		Assessment and rationale
Local / European content		Assessment considers the extent to which the bidder commits to use local or European suppliers and materials, directly or indirectly via its suppliers.	○	• Mandatory local content requirements are not considered as a preferred option at this stage due to the early development of Ireland's offshore wind supply chain. Such requirements could hinder investment and project delivery. • As the market matures, European or targeted local content may become more relevant and will be reconsidered in later rounds.
Supply Chain & Delivery		Applicants will be assessed based on their delivery and supply chain plans or commitments. This may include collaboration with ports, an assessment of specific capabilities or delivery commitments, adherence to standards on human rights and sustainability.	●	• Supply chain & Delivery is assessed as the most appropriate socio-economic NPF. Consultation respondents advocate for measurable commitments focused on delivery and infrastructure investment e.g., in ports and harbours. • The framework will ensure that Supply Chain NPFs are calibrated to Ireland's market size and project pipeline to avoid any negative impact on deliverability.
Job	No example identified	Applicants are assessed based on a commitment on the number and/or type of jobs created.	●	• A job NFP is not preferred due to delivery uncertainty at the MAC allocation stage, making such a commitment potentially inappropriate.
Skills and Training		Assessment considers commitments to workforce skills development and training initiatives. This criterion focuses on upskilling and capacity building within the sector.	●	• Requiring skills and training commitments at MAC allocation stage is assessed as a non-preferred option and considered too early, as it risks duplicating training programmes and may not align with actual skill requirements that only become clear later in the project development process.
Community Shareholding		Applicants are assessed on the commitment to implement community ownership or shareholding in the ORE project.	●	• Community shareholding is not preferred due to its complexity and limited precedent, which risk conflicting with design principles and deliverability – the primary objective of the Framework. Instead, stakeholders favour relying on the Community Benefit Fund , which is seen as more established and practical.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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System integration NPFs will be assessed individually for each site to avoid impacts on deliverability, with a technology-neutral NPF likely being the preferred option

Design element	Role in the framework
System integration NPFs	System integration NPFs consider how commitments or actions taken by bidders and contributing to system integration of the ORE project can be assessed in the MAC allocation process and scored as an NPF. These commitments typically help manage generation variability in the ORE project, address grid constraints, or support broader energy system needs, including renewable hydrogen.

Design choice	Int. example	Description	Assessment and rationale	
Coupling with storage		Applicants are assessed based on the integration of storage (Battery Energy Storage Systems (BESS) or other technology) with the ORE project.	○	• Storage integration is recognised as a valuable system feature but should be applied selectively and on a site-specific basis. • Its inclusion as a mandatory criterion could introduce complexity and risk to early-stage projects, and is therefore only recommended for later rounds.
Coupling with hydrogen	No example identified	Applicants are evaluated based on plans to integrate renewable hydrogen production with the ORE project.	○	• Coupling between offshore wind and hydrogen generation is supported as part of the Irish National Hydrogen Strategy and will contribute to the decarbonisation and resilience of the Irish energy system. • However, a hydrogen NPF integration is viewed as high-risk at this stage due to technology maturity. It is therefore only recommended for later rounds.
Generation volume / profile		Applicants are assessed based on the expected volume of electricity generated and/or the generation profile over time. This criterion is technology-neutral, allowing developers to determine how best to achieve the target volume or profile.	●	• NPF related to generation volume or profile may be considered in early allocation rounds to support system integration objectives, provided they give developers flexibility in determining optimal solutions. • Their use must avoid introducing unsustainable cost or delivery risks and will be considered and tailored on a site-specific basis.
PPA secured		Applicants are evaluated on whether they have secured a Power Purchase Agreement (PPA) for some or all of the project's output. Considering the early stage of the MAC allocation round, this can be demonstrated by providing a Memorandum of Understanding (MoU) with a potential offtaker.	🔵	• Incentivising developers to secure a Power Purchase Agreement (PPA) or Memorandum of Understanding (MoU) at the MAC stage is not recommended, as it is considered too early in the development stage of projects to secure a contract with a private offtaker. Consultation respondents have also highlighted the lack of legal bindingness of MoUs.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | 🔵 Non-preferred option

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A fixed Performance Bond, accounting for flexibility and potentially with milestone-based reimbursements, is considered the preferred financial incentive mechanism

Design element	Role in the framework
Financial incentives	Financial incentives are used to encourage timely delivery of the ORE project and to penalise non-performance, through financial mechanisms.

Design choice	Int. example	Description	Assessment and rationale
Bid bond (fixed)	No example identified	A set deposit is required from bidders, which is refunded to unsuccessful bidders and to the successful bidder(s) upon the MAC being granted or meeting specific milestones.	• Fixed bid bonds can help ensure that the successful bidder signs the contract and act as a moderate deterrent to speculative bidding. However, they do not, in isolation, provide incentives for actual project delivery. • Overall, they are considered a non-preferred option due to the poor balance between administrative complexity and the benefits achieved.
Performance Bond (fixed)	  	A fixed deposit is required from the successful bidder(s), refundable upon delivery of the contracted capacity or achievement of other delivery milestones (e.g., planning or Final Investment Decision).	• Fixed performance bonds, refundable upon reaching development milestones, are strongly supported as the main delivery incentive. They are preferred over bidded guarantees for their simplicity. • Stakeholders emphasised that delivery incentives should be milestone-based, flexible, and designed to avoid penalising developers for delays beyond their control, such as grid or planning issues. The Capacity Remuneration Mechanism (CRM) approach, which allows extensions for uncontrollable circumstances, was highlighted as a useful model for balancing accountability with fairness.
Financial guarantee (bidded)		A bid-based financial guarantee works similarly to a fixed performance bond, but its level corresponds to the level bidded by the successful bidder as part of the MAC allocation process.	• Bidded financial guarantees are recognised as potentially strong incentives but carry risks of excessive cost and complexity and are therefore assessed as non-preferred option.

Key Preferred option from early MAC allocation rounds onwards | To be considered for later MAC allocation rounds | Non-preferred option

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Permit loss is assessed as the preferred non-financial incentive, provided it accounts for factors beyond developers' control and is coordinated with financial incentives

Design element	Role in the framework
Non-financial incentives	Non-financial incentives are used to encourage timely delivery of the ORE project and penalise non-performance, through non-financial mechanisms.

Design choice	Int. example	Description	Assessment and rationale	
Permit loss		If a developer fails to meet delivery milestones, the MAC is withdrawn. Design of permit loss incorporates flexibility and considers factors beyond the developer's control, such as planning or grid connection delays.	●	• Permit loss is supported as a proportionate non-financial delivery incentive, to be used only as a last resort and in close coordination with financial incentives e.g., a potential milestone-based Performance Bond mechanism.
Ban from future MAC		Developers who do not comply with given project delivery milestones are prohibited from participating in one or several future MAC allocation rounds.	●	• Excluding developers from future MAC rounds is not supported. This design option is considered overly punitive and potentially harmful to competition.

Key ● Preferred option from early MAC allocation rounds onwards | ○ To be considered for later MAC allocation rounds | ● Non-preferred option

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Indicative weighting sheet

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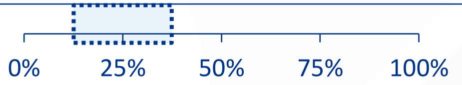
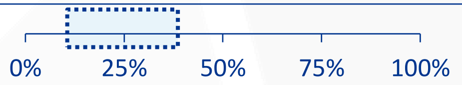
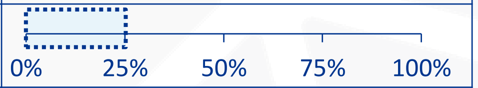
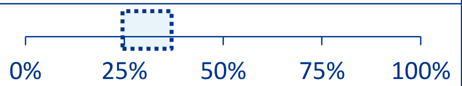
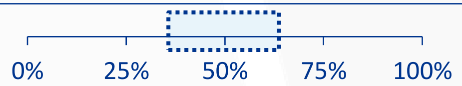
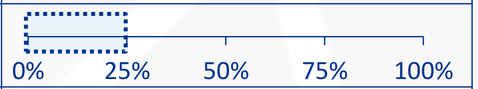
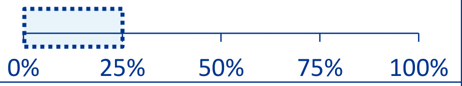
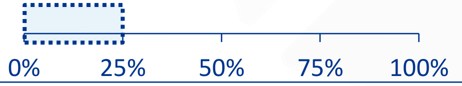
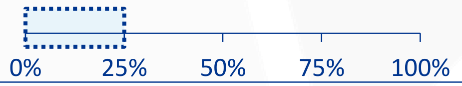
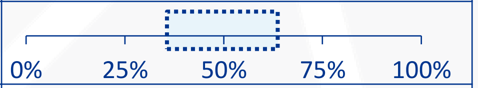
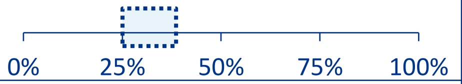
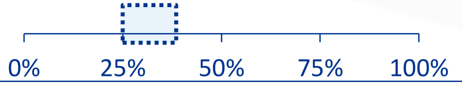
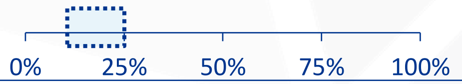
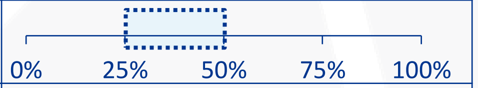
The weighting of PBFs and individual NPFs will differ from one round to another, and MARA provides an indicative scoring sheet outlining weightings for archetypal rounds

MARA provides below an indicative weighting between the different NPF types and PBFs in different archetype of MAC allocation rounds (considering route-to-market, stage and technology focus), offering stakeholders an illustration of how the Framework could be applied in practice for each round. Precise weightings and NPF selection will be determined ahead of each round, following a consultation process, and will take into account site-specific conditions and the latest market context.

Archetype		Early round with ORESS support	Early round without ORESS support	Floating demonstration round	Later round with focus on hydrogen
Description of MAC allocation round archetype		A MAC allocation round is organised within the first years after finalisation of the Framework where successful bidders are expected to receive ORESS support either through a competitive or non-competitive process.	A MAC allocation round is organised within the first years after finalisation of the Framework. Successful bidders are not expected to receive ORESS support and are expected to secure an alternative route-to-market.	A MAC allocation round is organised to allocate development rights for a floating demonstration site.	A MAC allocation round is organised following several initial rounds. Its primary objective is to promote the integration of ORE with renewable hydrogen production.
Indicative NPF weighting	Environment				
	Socio-economic				
	System integration				
Indicative PBF weighting					
Comment		• Early MAC allocation rounds are expected to focus primarily on simple NPFs to avoid unsustainable bids affecting delivery, with system integration NPFs considered carefully on a site-specific basis. • Final PBF weighting will depend on the structure and timing of ORESS support, including whether competition is part of the same process or a separate one.	• At a high level, the weighting between NPF type in an early round with and without ORESS support is expected to be similar. • The weighting of PBFs may differ in rounds without ORESS support, as there will be no competition on the ORESS price component.	• The primary goal of a floating demonstration round is to support the early development of a floating supply chain in Ireland and to generate learnings for future commercial rounds. • It was therefore highlighted in the consultation that supply chain criteria are likely to be key in such a round, while price is less relevant to the emerging nature of floating.	• In a round focused on integrating ORE and hydrogen, system integration criteria are expected to be the primary differentiator among bidders, encouraging innovation and ambition. • Given the advanced stage of such a round, price is could also play a significant role, assuming that current industry challenges are resolved.

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