

An Coimisiún
um Rialáil Fóntas
Commission for
Regulation of Utilities



Trading and Settlement Code Modifications Committee
c/o Esther Touhey
SEMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

5 October 2017

Our Ref: D/17/18608

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_03_17
(Recommendation Report FRR_03_17)**

Dear Esther,

On 22 September 2017, the Modifications Committee submitted a Final Recommendation Report with regard to Modification Proposal Mod_03_17 (Treatment of Transmission Losses for Trading Sites with Contiguous Autoproducers in I-SEM), in accordance with paragraph B.17.18.1 of Part B of the Trading and Settlement Code ("the Code").

Mod_03_17 was raised by Aughinish Alumina Ltd on 26 May 2017. The purpose of the proposed modification was to correct a material error in the Code whereby the treatment of Autoproducers under the revised SEM arrangements is not consistent with their treatment under the current SEM arrangements.

The Regulatory Authorities note that the Proposer made a presentation to Modifications Committee meeting 74 on 9 June 2017, detailing the impact on their business of not implementing the proposal. The proposal was discussed at the same meeting. Since the Modifications Committee appeared comfortable that the change is to correct a material error, it was deemed reasonable to proceed to a vote without sight of an impact assessment, as the impact assessment should not alter the decision to implement the proposal.

The Regulatory Authorities note that the Modifications Committee voted unanimously to recommend the proposal for approval and took the view that it furthered the following objectives of the Code:

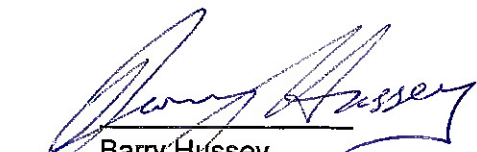
1. to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences;

2. to facilitate the efficient, economic and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner;
3. to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;
4. to promote competition in the single electricity wholesale market on the island of Ireland;
5. to provide transparency in the operation of the Single Electricity Market;
6. to ensure no undue discrimination between persons who are parties to the Code; and
7. to promote the short-term and long-term interests of consumers of electricity on the island of Ireland with respect to price, quality, reliability, and security of supply of electricity.

In accordance with Paragraph B.17.20 of Part B of the Code, the Regulatory Authorities direct that a Modification should be made in accordance with the Final Modification Recommendation of the Modifications Committee. This Modification shall become effective two Working Days following the receipt of this letter.

The Regulatory Authorities note that the change required within the market systems to implement this Modification can be included within a larger Change Request for the relevant I-SEM system (CR1) which is targeted for delivery during market trial in mid-January 2018.

Yours sincerely,



Barry Hussey
Manager, Wholesale Electricity Market

