



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

30 June 2023

Our Ref: F/26/445

SEM Committee Decision for the Regulatory Authorities in relation to Mod_04_23 (Final Recommendation FRR_04_23)

Dear Esther,

On 1 June 2023, the Modifications Committee submitted its Final Recommendation Report (FRR) with regard to Modification Proposal Mod_04_23 'Modification to implement SEMC Decision SEM-23-029' in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (TSC). The Modification Proposal Mod_04_23 was submitted to the Modifications Committee by the CRU and UR on 5 April 2023 and discussed and voted on at Meeting 116 on 20 April 2023.

This Modification will implement SEMC decision SEM-23-029 which was published on 29 March 2023. This decision extends the exemption from exposure to Non-Performance Difference Charges to units that are available and in-merit to the extent that their available capacity meets their Obligated Capacity Quantity. The SEM Committee, in its decision paper, decided that "in-merit" should be defined based on a comparison of a unit's Obligated Capacity Quantity Complex Price and the Imbalance Settlement Price. Availability is to be determined based on

Actual Availability Quantity in the Trading and Settlement Code (TSC). This Modification will replace Mod_12_22 'Expansion of the System Service flag to include units providing Replacement Reserve in line with the detailed design' entirely including the definition of "in-merit" in Mod_12_22. This is because the new approach does not involve a SO flagging process.

The RAs note that this Modification was recommended for approval on a unanimous basis by the Modifications Committee. Implementing this Modification will reflect SEMCs decision as outlined in SEM-23-029 in the Trading and Settlement code.

Considering the above, and in accordance with Paragraph B.17.20 of the Code, the SEM Committee directs that a Modification, as set out in Appendix 1 of FRR_04_23, is implemented on a Settlement Day basis on the second Settlement Day following publication of the RAs decision.

Yours sincerely,

Kevin Hagan
Manager
Wholesale Electricity Markets
Commission for Regulation of Utilities

Leigh Greer
Manager
Wholesale Electricity Markets
Utility Regulator

(Sent by email with no signature)