Single Electricity Market

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Document History

Version	Date	Author	Comment
1.0	01 July 2020	SEMO	Initial Approved Scope

1   INTRODUCTION

This document is intended to provide an overview of those approved changes for implementation in the October 2020 release (SEM Release "F") to the Central Market Systems (CMS). SEM Release F is due for deployment in October of 2020, subject to successful completion of testing.

The approved scope will not result in functional impact on interfaces between the CMS and Market Participant systems. Updates on Release F progress will be provided via the Market Operator User Group (MOUG) meetings.

2   FUNCTIONAL SCOPE APPROVED FOR THE OCTOBER 2020 RELEASE - SEM RELEASE F

This section provides at a summary level details of those Central Market Systems' change requirements which will be implemented in SEM Release F.

For each of the changes, SEMO has provided an assessment of the complexity for delivery of each change, based on the common understanding that existed between the systems vendor and SEMO at the end of the release design phase.

Change Request Reference	Summary	Business Case for Change	Interfacing Impact?
CR-091 Mod_19_19	**Setting System Operator Flags to zero for the purposes of Settlement**	This Change Request aligns with Modification MOD_19_19, which introduces additional logic to determine the Commercial Offer Data (i.e. Simple or Complex) for situations where flags/tags are not available for all Imbalance Pricing Periods (i.e. 5min) within an Imbalance Settlement Period (i.e. 30 min).	None
CR-092 Mod_21_19	**Application of Loss Factors for Interconnectors in Settlement**	The current rules require that there is a distinct rule for the application of Combined Loss Adjustment Factors when the quantity to be loss-adjusted is negative for Interconnector Units (i.e. exporting). The provisions as set out in paragraph F.4.3.3 of the TSC were correctly implemented as part of version 6.0 of the Balancing and Imbalance Settlement URS. However, an error occurred in the translation of the substantial changes as part of the implementation of CR-001 which inadvertently removed the provisions for loss-adjustment when an Interconnector is exporting. This Change Request aligns with Modification MOD_21_19, which re-introduces the omitted provisions, as they are resulting in incorrect settlement outcomes.	None
CR-120 Mod_10_19	**Exclusion of Dispatchable Priority Dispatch Unit Prices from Pricing**	This Change Request aligns with MOD_10_19, which proposes to amend the MMS to replace PBOAs (prices) associated with decremental actions (Accepted Bid QBOAs, quantities) that are non-zero (positive or negative) for Dispatchable Units that have Priority Dispatch status with zero as part of the RT-QBOA process (i.e. replaced once "Energy MWh of Accepted Bids" and "Price of BOA for Accepted Bids" have been determined). In doing so, the change should: • Ensure that decremental prices continue to be used as submitted by Participants to all settlement functions;	None

Change Request Reference	Summary	Business Case for Change	Interfacing Impact?
		• Ensure that replaced prices for decremental actions are written from the RT-QBOA function for use in pricing reports via MPI and website and PIMBCALC, PIMBPUBL and SAV elements of the Imbalance Pricing workflow; and • Ensure that decremental prices continue to be used as submitted by Participants in all relevant non-pricing reports via MPI and website.	
CR-128 Mod_17_19	**DSU State Aid Compliance Interim Approach**	As detailed in the Demand Side Unit (DSU) state aid compliance decision paper (SEM-19-029, an exemption of DSUs from Reliability Option (RO) payback obligations allowed for these units to have Difference Charges to apply only in the case of non-delivery where there is an RO event. This exemption was allowed as a temporary measure and state aid approval was given on the basis that this exemption would cease for the delivery period commencing October 2020. The SEM Committee decision acknowledged that the timescales involved in implementing a complete and enduring solution, which provides for a reliable measurement of the actual demand reduction delivered, in order to provide for energy settlement for this reduction to be applied to the DSUs so that Difference Charges can also apply, mean that it is necessary to implement an interim solution prior to the enduring approach. This interim solution provides for energy payments to be made to DSUs only where there is an RO event in order to provide the revenue with which to pay Difference Charges where such payments apply as well as changing the approach to Non Performance Difference Charges to align with the approach for other units. This Change Request aligns with MOD_17_19, proposing an interim solution which: • provides for energy payments in the balancing arrangements to be made to DSUs only where there is an RO event in a market where demand reduction is traded or delivered (including where such trade is in the Ex Ante markets) • provides for Difference Charges to apply where there is an RO event and a demand reduction has been traded/delivered or there is a non delivery and there is an RO event in the Imbalance Price • socialises the cost of the new energy payments via the Imperfections charge (does not require system change)	None

Change Request Reference	Summary	Business Case for Change	Interfacing Impact?
		The decision intentionally allowed for some flexibility so that the detail of the solution could be worked out as the implementation in the Code and the systems is investigated. As such, SEMO and the Regulatory Authorities have engaged to better understand the intent of the decision in some areas. This work, in conjunction with some of the more explicit details of the decision have led to the following set of guiding principles, considerations and options for the approach: • energy payments will continue to be netted out where Difference Charges are not triggered by retaining the Trading Site Supplier Unit and setting its energy volume to cancel the energy volume associated with the DSU • difference Charges will apply in the same way as for other units by lifting the current dis-application of Trading and Settlement Code sub sections F.18.4, F.18.5 and F.18.6 and removing the special treatment for DSUs in relation to Non-Performance Difference Quantities under F.18.7.1 whilst introducing the standard approach under F.18.7.3 • confirmation has been provided by the Regulatory Authorities that Ex Ante Markets (as well as the Balancing Market) should also have Difference Charges and associated energy revenues introduced for DSUs and also that energy revenues should apply to the entire volume and price in periods/marketplaces where RO events occur via payments under the Trading and Settlement Code	

Table 1: Approved Modification Proposals in SEM Release F Scope.

3 TECHNICAL SCOPE FOR THE OCTOBER 2020 RELEASE – SEM RELEASE F

At this point in time, there are no technical or third-party software upgrades planned for SEM Release F.