

Single Electricity Market

|  |
| --- |
| Modifications Committee Meeting Minutes  Meeting 47  hilton hotel,  12 february 2013  10:15 – 13:00 |

COPYRIGHT NOTICE

All rights reserved. This entire publication is subject to the laws of copyright. This publication may not be reproduced or transmitted in any form or by any means, electronic or manual, including photocopying without the prior written permission of EirGrid plc and SONI Limited.

DOCUMENT DISCLAIMER

Every care and precaution is taken to ensure the accuracy of the information provided herein but such information is provided without warranties express, implied or otherwise howsoever arising and EirGrid plc and SONI Limited to the fullest extent permitted by law shall not be liable for any inaccuracies, errors, omissions or misleading information contained herein.

Table of Contents

[1. SEMO Update 5](#_Toc349661579)

[2. Review of Actions 6](#_Toc349661580)

[3. Deferred Modification Proposals 8](#_Toc349661581)

[**I.** **Mod\_11\_12 Proposal to extend the definition of Special Units to include Compressed Air Energy Storage** 8](#_Toc349661582)

[**II.** **Mod\_23\_12\_v2 minimum stable generation correction** 9](#_Toc349661583)

[**III.** **Mod\_25\_12 suspension of interconnector unit on instruction of interconnector owner due to breach of access rules** 10](#_Toc349661584)

[**IV.** **Mod\_30\_12 improved efficiencies in unit registration process** 11](#_Toc349661585)

[4. New Modification Proposals 11](#_Toc349661586)

[**i.** **mod\_01\_13 enduring provisions for interconnector point of connection** 11](#_Toc349661587)

[**II.** **Mod\_02\_13 registration of charges** 13](#_Toc349661588)

[**III.** **Mod\_03\_13 mods process clarification** 14](#_Toc349661589)

[**V.** **AOB/Upcoming Events** 15](#_Toc349661590)

[Appendices 16](#_Toc349661591)

[**Appendix 1 - Secretariat Programme of Work** 16](#_Toc349661592)

[**Appendix 2 – objectives-tor mod\_11\_12 definition of special units wg** 18](#_Toc349661593)

Document History

|  |  |  |  |
| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 19 February 2013 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 26 February2013 | Modifications Committee Secretariat | Review of content by Modifications Committee complete, published track changed version on SEMO website and notified Market Participants. |
| 3.0 | 11 April 2012 | Modifications Committee Secretariat | Approved by Modifications Committee at Meeting 48 |

Distribution List

|  |  |
| --- | --- |
| **Name** | **Organisation** |
| Modifications Committee Members | SEM Modifications Committee |
| Modification Committee Observers | Attendees other than Modifications Panel in attendance at Meeting |
| Interested Parties | Modifications & Market Rules registered contacts |

Reference Documents

|  |
| --- |
| **Document Name** |
| [Trading and Settlement Code](http://semopub/MarketDevelopment/MarketRules/TSC.docx) and Agreed Procedures: Version 12.0 |
| [CMS Slides](http://semopub/Publications/General/CMS%20Slides%20Meeting%2047.pptx) |
| [Mod\_11\_12 *Proposal to extend the definition of Special Units to include Compressed Air Energy Storage*](http://semopub/MarketDevelopment/ModificationDocuments/Mod_11_12%20Gaelectric.docx) |
| [Mod\_11\_12 WG3 Report](http://semopub/MarketDevelopment/ModificationDocuments/WG3%20Report.zip) |
| [Mod\_23\_12 \_v2\_Minimum stable generation correction](http://semopub/MarketDevelopment/ModificationDocuments/Mod_23_12_v2%20Min%20Stable%20Generation.docx) |
| [Mod\_25\_12 Suspension of interconnector unit on instruction of interconnector owner due to breach of access rules](http://semopub/MarketDevelopment/ModificationDocuments/Mod_25_12%20Suspension%20of%20IUs.docx) |
| [Mod\_30\_12: Improved Efficiencies in Unit Registration Process](http://semopub/MarketDevelopment/ModificationDocuments/Mod_30_12%20-%20AP1%20changes%20(3).docx) & Meeting 46 [Slides](http://semopub/MarketDevelopment/ModificationDocuments/AP1%20Process%20Improvement%20Slides_External_v2%203.pptx) |
| [Mod\_01\_13 Enduring Provisions for Interconnector point of Connection](http://semopub/MarketDevelopment/ModificationDocuments/Mod_01_13_IC%20Point%20of%20Connection.docx) |
| [Mod\_02\_13 Registration of Charges](http://semopub/MarketDevelopment/ModificationDocuments/Mod_02_13%20Registration%20of%20Charges%20Submitted.doc) |
| [Mod\_03\_13 Mods Process Clarification](http://semopub/MarketDevelopment/ModificationDocuments/Mod_03_13%20Mods%20Process%20Clarifications.doc) |

In Attendance

|  |  |  |
| --- | --- | --- |
| **Name** | **Company** | **Position** |
| **Modifications Committee** | | |
| Aodhagan Downey | SEMO | MO Alternate |
| Brian Mongan | AES Kilroot | Generator Alternate |
| Denis Kelly | NIE T&D | MDP Member |
| Elaine Gallagher | CER | RA Alternate |
| Gerry Halligan | ESB Networks | MDP Member |
| Iain Wright-Chair | Airtricity | Supplier Member |
| Julie-Anne Hannon | Bord Gáis | Supplier Alternate |
| Jean Pierre Miura | UREGNI | RA Member |
| Karen Vickery | EirGrid | SO Alternate |
| Kevin Hannafin | Viridian | Generator Member |
| Kris Kennedy | SONI | SO Alternate |
| Mary Doorly | IWEA | Generator Alternate |
| Niamh Delaney | SEMO | MO Member |
| Patrick Liddy | Activation Energy | DSU Member |
| Philip Carson | Power NI | Supplier Alternate |
| Sheenagh Rooney | CER | RA Member |
| William Carr | Electric Ireland | Supplier Member |
| **Secretariat** | | |
| Aisling O'Donnell | SEMO | Secretariat |
| Sherine King | SEMO | Secretariat |
| **Observers** | | |
| Angela Blair | Power NI | Observer |
| Arthur Moynihan | EirGrid | Observer |
| Brian Kennedy | Gaelectric | Observer |
| Paul McGuckin | Mutual Energy | Observer |
| Peter Lantry | EirGrid | Observer |
| Nicola Calvert | SONI | Observer |

# SEMO Update

The Minutes from Meeting 46 were read and approved. The final approved version of the Minutes is now published on the SEMO website.

The Secretariat Programme of Work was acknowledged, see appendix 1 for further detail. Secretariat advised of the following Committee Membership changes:

|  |  |  |
| --- | --- | --- |
| **Position** | **New Member/Alternate** | **Replaces** |
| RA Alternate | Elaine Gallagher (CER) | Clive Bowers |
| TSO Member | Paul Killian (EirGrid) | Sonya Twohig |
| TSO Alternate | Karen Vickery (EirGrid) | Siobhan McHugh |

MO Member presented the CMS update advising that the following scope for the April 2013 release (SEM R2.2.0) to has been approved.

|  |
| --- |
| **SEM R2.2.0 - April 2013 Release – Approved Modification Proposals** |
| Mod\_17\_11 Clarifying the requirement to provide Dispatch Instruction for Generator Units |
| Mod\_03\_12 Alignment of TSC with revised VAT arrangements |
| Mod\_17\_12 Report on Offered Capacity in Implicit Auctions |

MO Member outlined key milestones of SEM R2.20.

MO Member stated that the cut-off date for the October 2013 release to the Central Market Systems is Friday 22nd February 2013. All approved Modification Proposals will be allocated to this release (subject to available capacity).

# Review of Actions

|  |  |
| --- | --- |
| Actions recorded at Meeting 46 | |
|  | |
|  |  |
| [Mod\_20\_12\_v2](http://semopub/MarketDevelopment/ModificationDocuments/Mod_20_12_v2%20Timelines%20AP13.docx) Timelines in relation to the scheduling of Ad Hoc Resettlement following an upheld Query | * Secretariat to ensure AP Notification includes legal drafting changes as agreed at Meeting-**Closed: AP Notification Published** |
| [Mod\_26\_12](http://semopub/MarketDevelopment/ModificationDocuments/Mod_26_12%20IC%20Technical%20Data%20changes.docx): Notification Time for updating Interconnector Technical Data | * Interconnector Administrator to revert to Committee at next meeting in relation to issue around Interconnector Administrators discretion in setting the Interconnector Ramp Rate-**Closed**: **SONI representative advised that the IA will always consult with both the Interconnector Owner and TSO before any change is submitted to SEMO. The security of the all island system needs to be taken into account before the IA submits any changes and this will be updated as soon as confirmation is received from the IO and TSO (no timeline can be placed on this).  Once the change is submitted to SEMO and receipt confirmed, the IA will notify the Interconnector Users of the ramp rate change 4 working days before its effective date as per the updated process.** * Secretariat to ensure AP Notification contains legal drafting agreed at Meeting-**Closed: AP Notification Published** |
| Mod\_10\_11 Interconnector Under Test Presentation Meeting 46 [Slides](http://semopub/MarketDevelopment/ModificationDocuments/Interconnector%20Under%20Test%20AOB%20Slides.pptx) | * Participants to provide feedback to Secretariat by **11th January- Closed: No Feedback Received** |
|  |  |
| deferred Modifications Proposals | |
|  |  |
| [Mod\_11\_12](http://semopub/MarketDevelopment/ModificationDocuments/Mod_11_12%20Gaelectric.docx) Proposal to extend the definition of Special Units to include Compressed Air Energy Storage | * Secretariat to draft a Working Group process document to clarify governance of Working Groups-**Closed: Modification Proposal submitted for Meeting 47**   **Working Group 3 Actions:**   * Secretariat to provide update to Modifications Committee following discussion at WG3 regarding ToR objectives and deliverables-**Closed: Update provided at Meeting 47. See deferred section for further detail.** * SEMO to provide approximate information on the likely timescale involved in implementing the changes-**Open** * TSO to procure RCUC IA; WG Members & Committee to be notified when received-**Open** |
| [Mod\_25\_12](http://semopub/MarketDevelopment/ModificationDocuments/Mod_25_12%20Suspension%20of%20IUs.docx): Suspension of Interconnector Unit on instruction of Interconnector Owner due to breach of Access Rules | * Participants to issue further comments or issues related to proposal. Comments due back by 11th January**-Closed: No Feedback Received. See Deferred section for further detail.** |
| [Mod\_30\_12](http://semopub/MarketDevelopment/ModificationDocuments/Mod_30_12%20-%20AP1%20changes%20(3).docx): Improved Efficiencies in Unit Registration Process | * Participants to contact relevant parties in registration to submit feedback by **11th January 2013-Closed: No Feedback Received** * Market Operations to schedule MOST to discuss registration process-**Closed: Scheduled for 13th February** |

# Deferred Modification Proposals

## [Mod\_11\_12](http://semopub/MarketDevelopment/ModificationDocuments/Mod_08_12%20MIUNs.docx) Proposal to extend the definition of Special Units to include Compressed Air Energy Storage

*Proposer: Gaelectric*

Secretariat provided an update on the progress of the Working Group (WG) and gave an overview of progress of the Terms of Reference (ToR) (See Appendix 2). Secretariat advised that the preferred Option 1b has been quoted by the vendor as costing €825,230 plus testing. Secretariat advised that the onus was on the Committee to decide how to best proceed with the proposal. Chair expressed the view that the WG has been a productive forum and has delivered its objectives in line with what was expected by the Committee.

Chair addressed the conclusion and recommendation of the WG report, advising that the preferred Option 1b is a viable option within the current systems, noting the existing issues with RCUC. Discussion on outstanding issues and how the work should be progressed ensued. Chair emphasised the importance of retaining the value of the work that has been achieved to date.

Supplier Alternate sought clarification regarding the action placed on the TSO to procure a RCUC IA at the last meeting. Chair expressed the view that RCUC is outside the remit of both the Committee and the scope of the WG ToR.

SO Alternate advised that it will be necessary to discuss this issue at the Grid Code panel.

Generator Alternate commented on the substantial cost of the IA in relation to Option 1b, expressing concern over the possibility of the RCUC IA incurring an equally substantial cost. Discussion turned to the issue of whether the Committee were in a position to accept the WG recommendations and whether they were ready to decide how to progress the proposal between the current market design and the future design.

Proposer emphasised GES’s preference for the proposal to remain as a Deferred Dormant proposal. Secretariat advised that the proposal is due to expire on 30th May 2013. Chair raised the issue of the Secretariat requesting an extension from the RAs to allow for the RCUC study to be completed by the TSO.

Chair advised that the following are possibilities of how to progress the proposal:

* Give the proposal a status of Deferred Dormant
* Include the proposal in T&SC Section 7
* Recommend the proposal for Rejection in the FRR and recommend that the RAs include it in the detailed design for the next market.

Proposer advised that GES’s preference is for the proposal to be implemented into the current market, however emphasised that GES are conscious of the substantial cost associated with the preferred option.

RA Member acknowledged that the WG process has worked very well and that the RAs are keen that the good work that has been accomplished to date isn’t lost. The RAs are open to the Committee views on how to retain the value of the work progressed via the WG and include it in the next round of market design. In addition, the RAs are open to granting extensions.

RA Member advised that the decision on market integration is due to be published shortly, with the indicative timeframe of 1 year to consider high-level design changes, and 2 years for detailed design changes. RA Member further advised that it is imperative for the SEM rules to be aligned with those of the Target Model by the end of 2016.

DSU Member queried as to whether the decision will include a scope of areas that should be included in the design. RA Member advised that it will be a high-level design document and that all factors will be considered in due course as it will be imperative for the new market to be open to all possible technologies.

RA Member advised that the market project will be a fully inclusive process and that forums will be established specifically for stakeholder engagement.

Generator Member expressed agreement with the importance of not losing the good work carried out by the WG.

Chair suggested creating a category in the T&SC which would be dedicated to Dormant proposals which could be considered by the RAs as part of delivery of the Market Integration project.

MO Alternate commented that implementing the preferred Option 1b in the current Market Rules may not result in a smooth transition of the option within the rules, beyond 2016. Chair noted that the WG3 report advised of WG Members acknowledgment that the IA on the options was carried out on the current Market Rules and that proposer acknowledged legal drafting is necessary for a vote to approve the proposal.

Secretariat advised that currently the WG Members see no need for a further WG to be held.

Proposer advised that GES are satisfied with the progress of the proposal as of now, reiterating preference for a status of Deferred Dormant.

Actions

* Secretariat to seek extension following discussion with TSO regarding timing to procure an Impact Assessment
* RAs to request TSO to discuss proposal with Grid Code

Decision

* The proposal was deferred

|  |
| --- |
| **Deferred** |

## Mod\_23\_12\_v2 minimum stable generation correction

*Proposer: SEMO*

MO Member advised that this proposal was raised at Meeting 44 with SEMO requesting its deferral pending further feedback from the certification team. Mod\_42\_10v2, which became effective in the November 2012 release, made changes to the Single Ramp Rate calculation. It also amended the definitions of Minimum Stable Generation and Minimum Generation. The certification review commented that as the amended Glossary definition of Minimum Stable Generation references a Code paragraph that refers to an Ex-Post calculation; this introduces a lack of clarity as to how Minimum Stable Generation is defined for Ex-Ante. In addition, Minimum Stable Generation is referenced in a number of Glossary definitions which refer to Ex-Ante quantities. Prior to Mod\_42\_10v2, Minimum stable Generation was used to refer to both a VTOD quantity and a profiled quantity. The VTOD quantity was renamed Minimum Generation in Mod\_42\_10v2. There are instances in the Glossary definitions where the use of Minimum Stable Generation in the Glossary definition should be amended to Minimum Generation. Proposed changes to these are made in this modification. The proposed definition now refers to a general Minimum Stable Generation quantity which has Ex-Ante and Ex-Post interpretations.

MO Member advised that the proposal introduces changes to the Glossary definition for clarity purposes and that no Systems changes are incurred. Supplier Alternate commented that the definitions of Min Generation and Min Stable Generation are similar. MO Member advised that many of the Glossary definitions are quite general and that the alternative option was to create another term “Minimum Stable Generation Profile” to refer to the Ex Post profiled value of Minimum Stable Generation, but this would lead to extensive editing to the Code. Therefore this more straightforward solution was chosen.

Supplier Alternate queried as to whether any operational impact would be introduced to Generators as a result of the proposal. MO Member clarified that no operational impact will be incurred and reiterated that the proposal is intended to introduce clarity and to ensure that the Glossary is aligned with the Code; no systems impacts are incurred.

Actions

* N/A

Decision

* The proposal was Recommended for Approval

|  |  |  |
| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Brian Mongan | Generator Alternate | Approved |
| Julie-Anne Hannon | Supplier Alternate | Approved |
| Iain Wright-Chair | Supplier Member | Approved |
| Kevin Hannafin | Generator Member | Approved |
| Mary Doorly | Generator Alternate | Approved |
| Patrick Liddy | DSU Member | Approved |
| Philip Carson | Supplier Alternate | Approved |
| William Carr | Supplier Member | Approved |

## Mod\_25\_12 suspension of interconnector unit on instruction of interconnector owner due to breach of access rules

*Proposer: Mutual Energy*

Interconnector Owner representative advised that SSE feedback related to the proposal is expected. Interconnector Owner representative provided brief recap of proposal advising that the issue of Credit Cover within the IDT market remains outstanding.

Mutual Energy representative advised that an alternative version of the proposal is being developed with the intention of introducing as minimal change as possible to the T&SC. Interconnector Owner representative advised that suspension on a Unit as opposed to Participant basis will be proposed.

Chair noted that no feedback was received after introduction of the proposal at the previous Meeting, and encouraged Participants and Interested Parties to do so following discussion at the Meeting.

Actions

* Participants to issue comments or issues related to proposal. Comments due back by 26th February

Decision

* The proposal was Deferred

## Mod\_30\_12 improved efficiencies in unit registration process

*Proposer: SEMO*

Secretariat noted that a MOST has been scheduled for 13th February. Secretariat advised that the following comment was received from SSE prior to the Meeting, in relation to the proposal: ““We are broadly in agreement with this proposal to make the registration process more efficient. However, we would like to see the introduction of a process to transfer units from Participants rather than having to follow the de-registration and new registration process.” Chair expressed agreement with the comment. MO Member noted that the feedback would be dealt with in the MOST.

Actions

* N/A

Decision

* The proposal was deferred

|  |
| --- |
| **Deferred** |

# New Modification Proposals

## i. mod\_01\_13 enduring provisions for interconnector point of connection

*EIL and Mutual Energy*

Secretariat advised of urgent status of proposal.

Proposer outlined proposal advising that the modification proposes enduring changes to define the submission point of Interconnector related quantities as being at the opposite end of the link to SEM. The current interim provisions in Section 7 have expired as of November 1st 2012, and current practice does not align with the Code.

It has been proposed to move Interconnector Point of Connection provisions into Section 5 of the enduring Code. Proposer advised of the introduction of a new definition for Interconnector Data Submission Point.

Chair drew attention to COMMISSION REGULATION (EU) No 838/2010 which specifies guidelines relating to the inter-transmission system operator compensation mechanism and a common regulatory approach to transmission charging. Discussion ensued regarding the interaction of the proposal with the above Regulation, with RA Member expressing support for a wider discussion in terms of losses related to IC Trades. Mutual Energy Representative advised that it is related to GB transmission losses as opposed to IC losses.

In relation to the Mod\_01\_13 specifically the RA Member expressed concern that an anomaly exists within the market and advised of the importance of correcting it.

Supplier Alternate queried as to whether this issue had been discussed within the FUI (France UK Ireland) region work stream as was specified in the decision letter for Mod\_11\_11 Interconnector Data Submission Point.

RA Member advised at the time of rejection of the above proposal, it was decided to extend the interim provisions as work was ongoing within the region making all ICs consistent, therefore the RAs deemed it premature to implement enduring provisions within the Code. RA Member further advised that no progress was made on the issue with regards to the FUI region work stream, reiterating that it is an anomaly within the current market and needs to be rectified.

Chair reiterated two separate issues on the current anomaly in the market and the need for a separate discussion on the wider issue of the treatment of losses. There was Committee support for a separate discussion on the losses issue.

MO Member clarified that the reason that it was not proposed to put the original Section 7 provisions into the enduring Code was because point of Connection refers to the physical connection of the Interconnector to the Transmission System, which in the case of both Interconnectors is on the Irish side, while Interconnector related data is submitted relative to the remote side of the Interconnector. Therefore the notional Interconnector Data Submission Point was created for the proposed enduring provisions.

Actions

* RAs to set up meeting to discuss the broader issue of losses
* Secretariat to prioritise FRR as Urgent

Decision

* The proposal was Recommended for Approval.

|  |  |  |
| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Brian Mongan | Generator Alternate | Approved |
| Julie-Anne Hannon | Supplier Alternate | Approved |
| Iain Wright-Chair | Supplier Member | Approved |
| Kevin Hannafin | Generator Member | Approved |
| Mary Doorly | Generator Alternate | Approved |
| Patrick Liddy | DSU Member | Approved |
| Philip Carson | Supplier Alternate | Approved |
| William Carr | Supplier Member | Approved |

## II. Mod\_02\_13 registration of charges

*Proposer: EirGrid*

MO Alternate explained proposal advising that it is proposed to remove the obligation to register a charge over the Collateral Reserve Accounts having regard to the existing wording of Section 6.20.

The obligation on Participants imposed by section 6.21 to facilitate the registration of charges over the Collateral Reserve Accounts has not been fulfilled by all Participants. Accordingly, it has proven very difficult to register a charge over the relevant Collateral Reserve Account within the statutory time limit of 21 days from the date of creation of the charge. This means that, in some circumstances, no charge over certain Participants’ Collateral Reserve Accounts exists and the MO has committed a breach of the Code.

There is substantial administrative work involved on the part of the MO in seeking to register charges over Collateral Reserve Accounts of Participants in this jurisdiction and in the UK or Northern Ireland. Furthermore, there are a number of Participants in jurisdictions other than Ireland or the UK and seeking to register a charge in another European jurisdiction is likely to prove very challenging and disproportionate to the ends to be achieved, particularly regarding the extent of control the MO has over these accounts in any event.

MO Alternate emphasised that this would only be required in extreme circumstances considering the level of control that the Trading Settlement Code provides in relation to SEM Collateral Reserve Accounts.

Supplier Alternate raised issue of similarities to the Elexon model. MO Alternate advised that Elexon was included as an example of a similar market set-up where the registration of a charge is not required.

Supplier Alternate queried as to whether Participants registering in the SEM should be utilising their own Clearing Bank. MO Member advised that Section 6.20 states that only the MO can instruct the SEM bank to make payments from an account.

Chair expressed the view that Section 6.21 was put in for a purpose therefore it is imperative to ensure that the issue it was designed to address will be adequately addressed upon removal of the clause. Discussion around possible risk to the market ensued. MO Member advised that EirGrid Legal did not believe there was any risk to the collateralisation of the market; otherwise the proposal would not have been raised. Nevertheless, they recognised that the Committee may require an additional legal view.

RA Member advised that expert legal advice was sought to review these provisions when they were originally included.

There was Committee support for independent legal advice to be sought.

Secretariat advised of the legal support budget available to the Committee.

Chair outlined the following issues to be raised with legal support:

* How secure are the funds to the market?
* If Section 6.21 is removed, are the remaining provisions in 6.20 adequate?
* If not, what should be included?

Generator Alternate raised a query regarding the multiple jurisdictions involved. Chair advised that Northern Irish law is the governing law.

Chair queried as to how the jurisdiction where the cash is held is defined. MO Member advised that collateral is within the SEM bank so it is always within the same jurisdiction.

Actions

* Modifications Committee to seek legal support regarding the implications of the proposal
* Secretariat to circulate questions to be addressed by legal support for review by the Committee prior to issue to legal advisors

Decision

* Deferred

## III. Mod\_03\_13 mods process clarification

*Proposer: SEMO*

Proposal was submitted after an action was placed on the Secretariat to draft a WG process document to clarify the governance of Working Groups.

The proposal sets out the roles and responsibilities of a Working Group with regard to Modification Proposals. A number of terminology inconsistencies exist that require correction. It sets out additional clarity around the Working Group process. This will ensure no confusion exists with regard to responsibility for the coordination and direction of Working Groups.

The proposal also includes a number of clarifications to sections of the Code and Agreed Procedure 12 with regard to the Modifications process.

The following legal drafting amendments were specified at the Meeting:

AP 12 Section 2.3:

* The Working Group may consist of members from the Modifications Committee and other interested parties as appropriate.

AP 12 Section 2.4:

* The Secretariat shall nominate a chair for the meeting from the list of attendees
* The Working Group shall consider options for a given proposal and may request appropriate impact assessments where necessary, including those procured from the vendor.

AP 12 Section 3.6(2):

* Vote on Modification Proposal (in accordance with Standard Modification Code and AP voting procedure) and notify RAs of decision.

AP 12 Section 3.5(5):

* a. Is further work on the proposal required? If Yes, go to step 7 and/or go to question b.

Actions

* N/A

Decision

* The proposal was recommended for approval subject to legal drafting

|  |  |  |
| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote subject to legal drafting** | | |
| Brian Mongan | Generator Alternate | Approved |
| Julie-Anne Hannon | Supplier Alternate | Approved |
| Iain Wright-Chair | Supplier Member | Approved |
| Kevin Hannafin | Generator Member | Approved |
| Mary Doorly | Generator Alternate | Approved |
| Patrick Liddy | DSU Member | Approved |
| Philip Carson | Supplier Alternate | Approved |
| William Carr | Supplier Member | Approved |

## AOB/Upcoming Events

Calendar updates

* 28th March 2013 - Mod Proposal submission deadline
* 11th April 2013 - Mods Meeting 48 Dublin

Chair noted the lack of feedback from Participants following actions placed at previous meetings and encouraged the Committee to engage and issue feedback where necessary in line with deadlines.

# Appendices

## Appendix 1 - Secretariat Programme of Work

|  |  |  |
| --- | --- | --- |
| **Status as at 12 February 2013** | | |
| **FRRs ‘Recommended for Approval’ without systems impacts awaiting RA Decision** | | |
| **Title** | **Sections Modified** | **Sent** |
| Mod\_18\_11 Definition of ‘Availability’ | T&SC Glossary | 08 September 2011 |
| Mod\_21\_12 Amendment to Available Transfer Capacity (ATC) definition | T&SC Section 5; T&SC Appendix K | 21 November 2012 |
| **RA Decision Approved Modifications with System Impacts** | | |
| **Title** | **Sections Modified** | **Effective Date** |
| Mod\_17\_11 Clarifying the requirement to provide Dispatch Instruction for Generator Units | T&SC Appendix O | April 2013 |
| Mod\_03\_12 Alignment of TSC with revised VAT arrangements | T&SC Section 6 | April 2013 |
| Mod\_17\_12 Report on Offered Capacity in Implicit Auctions | T&SC Section 1; Agreed Procedure 6 | April 2013 |
| **RA Decision Approved Modifications without System Impacts** | | |
| Mod\_16\_11 Credit Worthiness Test for SEM Bank and Credit Cover Provider banks | T&SC Section 6 & Glossary | 29th April 2013 |
| Mod\_22\_12 Setting of MIUNs in the case of General Systems Failure | T&SC Glossary | 06 February 2013 |
| Mod\_27\_12 Representation of Price Takers in the MSP Software | T&SC Appendix N | 11th February 2013 |
| Mod\_28\_12 Clarifications to Appendix N | T&SC Appendix N | 06 February 2013 |
| Mod\_29\_12 Dwell Time Up & Dwell Time Down Glossary Definitions. | T&SC Glossary | 06 February 2013 |
| **AP Notifications** | | |
| Mod\_20\_12 Timelines in relation to the scheduling of Ad Hoc Resettlement following an upheld Query | Agreed Procedure 13 | 24 December 2012 |
| Mod\_24\_12 Amendments to the MIUN Calculator to address instances of Excess Area | Agreed Procedure 2 | TBC |
| Mod\_26\_12 Notification Time for updating Interconnector Technical Data | Agreed Procedure 2 | 21 December 2012 |
| **Modification Proposal Extensions** | | |
| Mod\_11\_12 Proposal to extend definition of Special Units to include Compressed Air Energy Storage | Extension Granted | 30 May 2012 |
| **CMS cut-off date** | | |
| Oct 2013 CMS Release | RA Decision Approved Mods only | 22 February 2013 |
| **Working Groups** | | |
| Mod\_11\_12 Proposal to extend definition of Special Units to include Compressed Air Energy Storage | Working Group 3 | 23 January 2012 |

## Appendix 2 – objectives-tor mod\_11\_12 definition of special units wg

**Deliverables - Terms of Reference**

|  |  |
| --- | --- |
| **Objective** | **Status** |
| Define & identify the technical characteristics & capabilities of a CAES unit, and of other units having similar characteristics if applicable, not currently represented in the SEM to advise on appropriate registration options for such units in the SEM. | **Complete**  Working Group 1   * GES provided detail as required. * No other units with similar characteristics were brought forward for consideration. |
| Proposer to look at the impacts of registering in the SEM and the Market Rules as currently drafted. | **Complete**  Working Group 1:   * Agreement that existing rules would require change to accommodate a CAES Unit in SEM. |
| Consider options for the representation of units that have the characteristics and/or abilities similar to a CAES unit in the SEM, taking into account the current rules for the SEM and the particular characteristics of a CAES unit and other units of similar characteristics. | **Complete**  Working Group 2:  Three options presented in greater detail by GES:   * “Full Price Making Storage” – an evolution of existing pumped storage rules with submitted prices and constraint payments * “Availability Feasible Storage Unit” – akin to a stand-alone interconnector unit only in that it locks down availabilities using changing half-hourly commercial offers throughout EA1, EA2 and WD1 for inclusion in ex post runs as Predictable Price Maker (settlement rules would be different) * “Linked Energy Limited Generator” – operation of a Predictable Price Taker Negative Generator informs Energy Limit of separate Generator possible throughout the day   No other units with similar characteristics were brought forward for consideration. |
| Examine the current Special Unit clauses to see if they can accommodate similar capabilities to the CAES proposal and if not how they can be modified. | **Complete**  Working Group 1 & 2:   * Existing clauses for Special Units do not take into account the gas input variable element for that of a CAES unit. * Pumped Storage identified as unit type with similar characteristics to that of a CAES Unit. |
| Identify potential changes to the TSC, which will further the Code objectives, particularly objective 4 & 6, that may be necessary to better facilitate the participation of CAES units and other units of similar characteristics.  Objective 4:  to promote competition in the single electricity wholesale market on the island of Ireland  Objective 6:  to ensure no undue discrimination between persons who are parties to the Code | **Closed**  Mods Meeting 47   * T&SC   + Section 4: Pricing - various clauses   + Section 5: Categorisation of Units and Rules for Special Units - various clauses   + Section 6:Financial and Settlement – various clauses   + Section 7: Interim Arrangements – potential changes * Appendices   + Appendix H: Participant and Unit Registration and Deregistration   + Appendix I: Offer Data   + Appendix M: Description of the function for the determination of Capacity Payment   + Appendix N: Operation of the MSP Software   + Appendix O: Instruction Profiling Calculations * Glossary   + Various definitions * AP01   + Section 2.4 Deregistration Process Overview   + Appendix 3 - Timelines |
| Assess the options in terms of the following questions:   * 1. The Working Group should consider how the following items, and others that may be discussed, can be addressed with respect to the option by which registration of CAES Units and other energy Storage Units in the TSC will occur.      1. Offering & Scheduling         1. Commercial Offer data         2. Technical Offer Data         3. Other data provision & sharing      2. Energy Settlement      3. Calculation of Eligible Availability      4. Calculation of Capacity Payments         1. When in generation mode         2. When in pumping mode      5. Calculation of Constraint Payments and Charges      6. Calculation of Uninstructed Imbalance Payments and Charges      7. Credit & Settlement      8. Inclusion in the MSP software and uplift      9. Treatment of Energy Storage Units when under test   2. How the identified option(s) further(s) the objective of the Demand Side Vision and other SEM Committee policy objectives?   3. What are the likely high level impacts (time, cost and resources to implement option)? | **Closed**  Working Group 3   * Two preferred options Impact Assessed:   Option 1 – Full Price Making Storage   * Pumped Storage Unit with Commercial Offer Data * Pumped Storage Unit with Commercial Offer Data and a Pumped Storage Cycle Efficiency which is a function of output rather than constant   Option 2 – New Unit with similar logic to Interconnector Units |
| Whether one or more existing registration options could be amended to allow registration of a CAES unit (perhaps by changing definitions in the TSC). | **Closed**  Working Group 1:   * Agreed based on the level of changes required to the systems, registration is not possible at this point. |
| Recommend to the Modifications Committee the preferred option to pursue. | **Closed**  Working Group 3   * Option 1b is the preferred option. * More time is needed to further assess the impacts on RCUC and the relevant operational issues. * Consideration to be given to timing of unit build and timing for changing market arrangements. * Option of leaving on the agenda as a deferred dormant mod may be a consideration. * Mods Committee to decide on the most effective way to proceed. |
| Make any necessary amendments to the legal drafting text of Mod\_11\_12 in the form of an alternative version if necessary. | **Open**  Working Group 3   * Pending the views of the Modifications Committee following results of RCUC IA. |

**Deliverables - Terms of Reference**

|  |  |
| --- | --- |
| **Objective** | **Status** |
| Working Group report detailing the discussion and outcome of the meeting. | **Closed**   * Working Group report published after each meeting |
| Recommendation to the Modifications Committee of how to best proceed. | **Closed**   * No consensus reached by WG, views from WG3 delivered to Mods Committee at Meeting 47 |
| Finalised drafting of the Modification Proposal (if necessary) for submission at next available Modifications Committee Meeting. | **Open**   * To be decided by Mods Committee following results of RCUC IA |