

Single Electricity Market

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| Modifications Committee Meeting MinutesMeeting 44clarion hotel,25 September 2012 10:15 – 14:00 |

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Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 26 September 2012 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 08 October 2012 | Modifications Committee Secretariat | Review of content by Modifications Committee complete, published version on SEMO website and notified Market Participants. No track changed comments received. |

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.doc) and Agreed Procedures: Version 11.0 |
| CMS [Slides](http://semopub/Publications/General/CMS%20Slides%20Meeting%2044.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\_17\_12 *Report on Offered Capacity in Implicit Auctions*](http://semopub/MarketDevelopment/ModificationDocuments/Mod_17_12_IC%20Offered%20Capacity.docx) |
| [Mod\_19\_12 *Correction to discrepancy in Required Credit Cover Query resolution timeline*](http://semopub/MarketDevelopment/ModificationDocuments/Mod_19_12%20AP13%20RCC%20query.docx) |
| [Mod\_20\_12 *Timelines in relation to the scheduling of Ad Hoc Resettlement following an upheld Query*](http://semopub/MarketDevelopment/ModificationDocuments/Mod_20_12%20Timelines%20AP13.docx) |
| [Mod\_21\_12 *Amendment to Available Transfer Capacity (ATC) definition*](http://semopub/MarketDevelopment/ModificationDocuments/Mod_21_12%20ATC.docx) |
| Mod\_21\_12 [TSO Slides](http://semopub/MarketDevelopment/ModificationDocuments/ATC%20modification2.pptx) |
| [Mod\_22\_12 *Administered Scheduling for General Systems Failure*](http://semopub/MarketDevelopment/ModificationDocuments/Mod_22_12%20MSP.docx) |
| [Mod\_23\_12\_*Minimum Stable Generation Correction*](http://semopub/MarketDevelopment/ModificationDocuments/Mod_23_12%20Min%20Stable%20Gen.docx) |

In Attendance

|  |  |  |
| --- | --- | --- |
| **Name** | **Company** | **Position** |
| **Modifications Committee**  |
| Brian Mongan | AES | Generator Alternate |
| Clive Bowers | CER | CER Alternate |
| Denis Kelly | NIE T&D | MDP Member |
| Emeka Chukwureh | Airtricity | Supplier Alternate |
| Gerry Halligan | ESB Networks | MDP Member |
| Gill Bradley | ESBI | Generator Alternate |
| Jill Murray-Chair | Bord Gáis | Supplier Member |
| Kevin Hannafin | Viridian | Generator Member |
| Michael Preston  | SONI | TSO Member |
| Niamh Delaney | SEMO | MO Member |
| Niamh Quinn  | ESBI | Generator Member |
| Sonya Twohig | EirGrid | TSO Member |
| William Steele | Power NI | Supplier Member |
| **Secretariat** |
| Aisling O'Donnell | SEMO | Secretariat |
| Sherine King | SEMO | Secretariat |
| **Observers** |
| Brian Kennedy | Gaelectric | Observer |
| Karen Vickery | EirGrid | Observer |
| Karol O’ Kane | ESBI | Observer |
| Marian Troy | Endesa Ireland | Observer |
| Marie Hayden | EirGrid | Observer |
| Michael Carrington | EirGrid | Observer |
| Patrick O’ Hagan | Endesa Ireland | Observer |

# SEMO Update

The Minutes from Meeting 43 were read and approved. The final approved version of the Minutes from Meeting 43 will be published on the SEMO website.

The Secretariat Programme of Work was acknowledged, see appendix 1 for further detail.

SEMO Member presented the CMS update advising that two releases have been scheduled to address a number of defects that were identified in the run-up to and subsequent to IDT go-live.

* + SEM R2.0.1 – deployed successfully on Sept 18th
	+ SEM R2.0.2 – awaiting delivery from vendors

SEM R2.0.2 is required due to the identification of a “Long Day” defect after delivery of SEM R2.0.1. It needs to be addressed independently as the next bi-annual release (Nov) is after the Long Day transition.

SEMO Member advised that the scope for the October 2012 release (SEM R2.1.0) to the CMS is now closed. All approved Modifications Proposals as at the associated release cut-off date have been allocated to this release. The following six Modification Proposals with Systems Impacts are included in scope:

|  |
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| **SEM R2.1.0 - October 2012 Release – Approved Modification Proposals** |
| Mod\_40\_10 | Differentiation between Dwell Times and Dwell Trigger Points while Ramping up and Ramping down  |
| Mod\_42\_10 | Changes to the Single Ramp-Up Rate and the Single Ramp-Down Rate calculation |
| Mod\_01\_11 | UI Payments for Generator Units |
| Mod\_06\_11 | Increasing maximum daily submission number and automating cancellation of Settlement Reallocation Agreements |
| Mod\_12\_11 | Interconnector Unit Loss Adjustment when Exporting |
| Mod\_21\_11 | UI Payments for generator units constrained on |
| Mod\_10\_11 | Interconnector Under Test |

SEMO Member further advised that in addition, it is proposed that the solution to the “Extreme Ramping” Scenario identified in the MIUN Calculation software will be implemented as part of this release. SEMO has issued various communications on this item and delivered a related presentation to the Market Operator User Group on Sept 18th.

SEMO Member further advised that SEMO will be submitting a Modification Proposal in respect of the proposed solution, amending the MIUN Calculator rules as set out in Agreed Procedure 2. For further detail, please see AOB.

SEMO Member advised that the scope for the April 2013 release (SEM R2.2.0) to the CMS is now closed. All approved Modifications Proposals as at the associated release cut-off date have been allocated to this release. The following two Modification Proposals with Systems Impacts are included in scope:

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| **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 |

# Review of Actions

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| **Actions recorded at Meeting 23 May 2012** |
| **Mod ID/Issue** | **Action** | **Comment** |
| Mod\_11\_12 Proposal to extend the definition of Special Units to include Compressed Air Energy Storage | * Final comments on draft ToR to be issued to Secretariat by COB Friday 03 August
 | * Closed- comments received, final ToR agreed and published on SEMO website.
 |
| Mod\_15\_12 Inclusion of ATC limit slack variables and associated penalty cost Parameters | * FRR to amend numbering mark-up in legal drafting section.
 | * Closed-Secretariat ensured no numbering error present in proposal.
 |
| Mod\_17\_12 Report on Offered capacity in Implicit Auctions | * TSO to assess the impact of non-compliance
 | * Closed- The impact of non-compliance would be an infringement letter sent to the relevant Government Department. Opening discussions with them on intended non-compliance is not something the TSO would recommend.
 |
| * TSO to assess the option of implementing change through the Auction Management Platform
 | * Closed-The TSO would not be able to reliably generate the report in the required publication timescale in AMP (“All relevant information shall be available for the market in due time for the negotiation of all transactions”) between EA and EA2 and hence the change was proposed to the SEM systems which can meet this timescale. The cost of generating the report in AMP would be in the range of €75k to €95k.
 |
| * SEMO to Impact Assess the change
 | * Closed- IA came back at a cost of €32,560
 |
| * SEMO to assess the possibility of a website publication
 | Closed- SEMO Member advised that the data does not come through fast enough to the website for a website publication to be viable. However SEMO has assessed an alternative whereby the MIUN software could create this report and it could be fitted to a location on the website. The impact assessment for this is £19,950 (or €25k) with potential additional web service report charges in the region of €8k bringing the total cost of implementation of the website publication to approx €34k.  |
| * Interconnector Users to formulate views on importance of change
 | * Closed- no feedback received.
 |

# 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 advising that a number of options were put forward by Gaelectric (GES) with reasoning behind why the existing Code options could not be implemented for a Compressed Air Energy Storage (CAES) unit.

Two potential solutions were put forward by GES including:

* An Interconnector style Unit
* Pumped Storage style Unit with commercial costs in MSQ schedule and Constraint Payments

Two options were put forward by Working Group Participants including:

* Split unit with Demand treated as some form of negative autonomous Generator Unit rather than a Supplier Unit
* Combine Pumped Storage with Make Whole Payments

Secretariat noted that participants were asked to put forward any additional potential options that should be considered by the Working Group in advance of or at the second Working Group. GES agreed to consider the options put forward in greater detail prior to the second Working Group and it was agreed that the aim is to have a couple of candidate options for assessment following the second meeting. Secretariat advised that the next meeting of the Working Group will take place on 23rd October. Secretariat noted that the timeline will be updated and a placeholder will be issued.

Actions

* N/A

Decision

* The proposal was deferred

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| **Deferred** |

## Mod\_17\_12 Report on Offered Capacity in Implicit Auctions

*Proposer: TSO*

Secretariat noted the absence of any response from Interconnector Users regarding the importance of the proposed change. TSO Member presented an update on the actions from Meeting 43 noting that non-compliance would result in an infringement letter sent to the relevant Government Department. Implementation of the change through the Auction Management Platform (AMP) could be delivered at a cost in the region of €75k to €95k. Proposer noted that the TSO would not be able to reliably generate the report in the required publication timescale in AMP (“All relevant information shall be available for the market in due time for the negotiation of all transactions”) between EA and EA2 and hence proposed the modification to the SEM systems which can meet this timescale.

SEMO Member advised that the change to the Central Market Systems (CMS) could be delivered at a cost of €32,560. The alternative option for implementing the change with a report generated by the MIUN software and made on the Market Operator website is estimated to incur a cost in the region of €34k. SEMO Member drew attention to the timeline for delivery of a solution with a CMS change not achievable until October 2013 at the earliest while a website change is likely to be implemented in advance of that date.

Generator Alternate questioned if it would be possible to send an email to Interconnector (IC) Users with publication of the information at a later stage. The capacity information for trade is required for IC Users who may wish to trade in EA2 or WD1 and only affects IC Users.

SEMO Member advised that the intention is to produce the report as quickly as possible after an MSP Software Run. Supplier Member queried which solution would deliver the required information quicker, noting the minor difference in cost of both solutions. SEMO Member agreed to take back the question regarding timing of delivery of information to the vendors as the original requirements specification did not specify a timescale.

Observer questioned if one option conforms to the target model changes better than the other. SEMO Member confirmed that one option is implemented in CMS Systems while the alternative is implemented in the MIUN calculator, which is also part of the CMS and while there is no apparent difference in terms of compliance with the target model, SEMO will take that on board.

DSU Member commented that based on the absence of response to the final action recorded at Meeting 43, do the relevant parties receive information or is the information issued solely to the Modifications Committee. Secretariat advised that Meeting Minutes and reminders are issued to both the Modifications Committee and a wider interested parties distribution list.

Supplier Member suggested that a vote be taken at this Meeting. Secretariat advised that it is difficult to vote on an option without full details of timing. Attention was drawn by the DSU Member to the fact that whichever solution is pursued is a SEMO IT solution and a vote should be cast with SEMO IT determining the optimal implementation method. Supplier Member advised that the concern is around timing of delivery of information rather than a cost issue. SEMO Member noted that further discussion will need to be had with the vendors; therefore, the timeline for implementation of either option will not be significantly delayed if a vote is not cast until the next Meeting.

Generator Alternate suggested that the proposer discuss the impacts of non-compliance with the RAs. Vice-chair agreed that it may be useful to ensure that the options put forward satisfy the RAs and relevant department in terms of compliance.

Vice-chair suggested that SEMO revert with more detail on the timing of both options at the next Meeting to allow the Committee to be in a position to vote on implementation of a preferred option.

Actions

* SEMO to check with vendors which option delivers the most time efficient solution in terms of availability of the relevant information to IC Users.
* TSO to check options put forward satisfies compliance obligations

Decision

* The proposal was deferred

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| **Deferred** |

# New Modification Proposals

## Mod\_19\_12 Correction to discrepancy in Required Credit Cover Query resolution timeline

 *Proposer: SEMO*

SEMO Member presented the proposal advising that the proposal provides clarification regarding the timeline for resolution of Required Credit Cover Queries. Participants currently have one hour after publication to raise a query and the MO has 90 minutes to resolve that query. AP13 is inconsistent with the timeline and the timing should reflect “receipt of a query” rather than “issue of report”.

No questions were raised regarding this proposal. Secretariat advised that an AP Notification will be published.

Actions

* N/A

Decision

* The proposal was Recommended for Approval

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| **Mod\_19\_12: Recommended for Approval by unanimous vote** |
| Niamh Delaney | MO Member | Approve |
| Patrick Liddy | DSU Member | Approve |
| Gerry Halligan | MDP Member | Approve |
| Kevin Hannafin | Generator Member | Approve |
| Sonya Twohig | TSO Member | Approve |
| Niamh Quinn | Generator Member | Approve |
| Emeka Chukwureh | Supplier Member | Approve |
| Michael Preston | TSO Member | Approve |
| Denis Kelly | Generator Alternate | Approve |
| William Carr | Supplier Member | Approve |
| Jill Murray-Chair | Supplier Member | Approve |

## Mod\_20\_12 Timelines in relation to the scheduling of Ad Hoc Resettlement following an upheld Query

 *Proposer: SEMO*

SEMO Member presented the proposal. The proposal seeks to improve the approach taken in relation to the management of Ad-Hoc Resettlement as a result of upheld formal queries. SEMO Member provided an explanation of changes to text advising that when there is a large amount of resettlement, an option will exist for the MO to consult with Participants and provide an update to the Settlement Calendar. The change is viewed as a practical step for both Participants and SEMO resources.

Generator Alternate questioned what the reasoning is behind a delay in processing a Resettlement. SEMO Member advised that a delay would exist in the event that there is an excessive amount of Ad-Hoc Resettlement at any one time to process.

Vice-chair questioned whether such instances for delayed Resettlement have occurred in the past. SEMO Member confirmed that it has been an issue previously as Resettlement is quite resource intensive for Market Operations. Supplier Member sought clarity regarding the timelines put forward by the MO; two Billing Periods for Energy and one billing month for Capacity. MO Member advised that the timings were put forward by Market Operations based on their experience of Resettlement and that a number of ad-hoc resettlements may be due in parallel. SEMO Member further noted that the timelines put forward do not prevent the MO delivering Resettlement earlier if possible but rather allows additional time in case of delay.

Supplier Alternate voiced discontent with the absence of a defined timeline and noted that an extension to the original timing should be documented in the AP to avoid any unnecessary delay beyond a certain timeframe. MO Member noted that Ad-Hoc Resettlement is case specific and it could be difficult to define an exact timing for an extension, as it would have to fit in with normal settlement. Committee agreed that a defined timeline for extensions should be included in the AP to avoid any confusion.

Generator Member agreed it should be defined but not comfortable with extending timeline. SEMO Member said that it was also in the interest of the MO to resolve resettlement as soon as possible and that a date would be agreed by both the Participant and MO. Committee suggested that the proposal be updated to include a defined timeline for extensions beyond the original criteria set out in the market rules.

Actions

* SEMO to address issue of open-endedness of timings for next meeting

Decision

* The proposal was deferred

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| **Deferred** |

## Mod\_21\_12 Amendment to Available Transfer Capacity (ATC) definition

*Proposer: TSO*

Proposer presented slides outlining the proposal to incorporate the interconnector transfer capacity determination process and remove the T&SC limitation for changes in the Maximum Export and Import Available Transfer Capacities (ATC) to causes associated only with the Interconnector equipment.

Supplier Alternate queried as to how this scenario is different to a Generator behind a constraint line. Supplier Alternate expressed the view that the underlying fundamental philosophy of the SEM is one of an unconstrained market and voiced concern over this change becoming effective in the current market. Supplier Alternate further advised that the proposed modification affects the IC User, by changing their financial position in the SEM, which is contrary to its principles.

Proposer drew attention to the TSO obligation of system security, and advised that what is being proposed is a last resort option.

Proposer advised that IC Users are trading between markets and are treated differently to generators, they are not bound by the Bidding Code of Practice (BCOP) and can bid different prices per trading period. Supplier Alternate reiterated that the proposal is serving to introduce a constraint element in the SEM by forcing an ATC redeclaration. Supplier Alternate queried as to whether IC Units would receive constraint payments. SEMO Member clarified that IC Units would not receive constraint payments, as the ATC redeclaration would trigger the MIUN calculator to recalculate MIUNs. IC Units would however be compensated from the point of view of capacity holdings. Supplier Alternate expressed the opinion that a variable should be introduced which ensures that IC Users are compensated for more than Capacity only. Observer clarified that EU legislation allows only for Capacity compensation.

Generator Alternate queried as to which party currently makes the declaration of ATC. SO Member advised that it is the IC Administrator on behalf of the IC owner in conjunction with the SO.

Chair reiterated SO Member’s question regarding what would be the implication if the proposal was not approved. Proposer advised that it would incur a breach of the Code. SO Member further clarified that if not approved, the TSO will still remain under obligation to ensure security of supply and that the licence takes precedence.

Supplier Alternate expressed concern that this EU Regulation forms a basis for 2016 and that it is not suitable for the SEM. Supplier Alternate further stated that this change affects what happens in the Market Schedule, thereby affecting the financial position of the IC User.

TSO observer noted that European Regulation is in place now and no derogation exists to 2016 and compliance on the TSO side is considered necessary at this point in time. TSO observer further noted that IC Users are treated differently from Generator Units in that trade takes place between two markets which are governed by EU Regulations and IC Access Rules.

Endesa observer raised a query regarding the term “relevant agreement”, advising that it is physical capability that imposes restriction, rather than the process. SEMO Member clarified that this is the existing wording currently in the T&SC.

TSO observer queried as to whether the Supplier Alternate was objecting to the TSO imposing restrictions on long-term Capacity that’s auctioned, or in the shorter timeframe. Supplier Alternate clarified no objection to this as the auction of Capacity is conducted outside of the SEM; therefore it is not pertinent to this discussion.

TSO observer agreed that auctions are conducted externally, however advised that the restrictions follow through to the SEM. The Supplier Alternate agreed that the issue was concerned with the reduction of already scheduled transfers rather than transfer restrictions applied before scheduled transfers.

Supplier Alternate expressed the view that Modification Proposals must comply with the T&SC objectives and that it is not the remit of the Modifications Committee to alter these underlying principles. Supplier Alternate advised that this is an issue for consideration by the RAs alone.

RA Alternate stated that the RAs will consider the proposal duly when the FRR is issued. Secretariat advised that dissenting views are always included in an FRR if consensus on a particular proposal is not reached. Secretariat further advised that it is then at the discretion of the RAs to make a decision based on the dissenting views and recommendation of the Modifications Committee.

SEMO Member advised that the proposal was raised to comply with EU Regulations, is promoting both short and long term objectives of the T&SC and is aiming to ensure security of supply, as stated in the referenced objective 1.3.7 in the modification.

Chair queried as to whether the TSO must comply with the EU Regulation in this manner. Proposer expressed the view that the TSO do not want any form of litigious proceedings to occur and that their preference is for a vote to take place, with an FRR issued to the RAs for final decision.

Observer stated Endesa Ireland’s preference for inserting “As determined in accordance with”, at the start of Clause 5.42.

RA Alternate advised of RAs’ concern around deletion of the following line; “but shall not otherwise take account of any expected transmission constraints or other aspects of the operation of the Transmission System”.

Proposer advised the line was deleted as it becomes redundant, however had no objection in leaving it in the proposal if the RAs so wish.

DSU Member advised that if the TSO will not have alternative implementation options for presentation at the next Meeting, it is unnecessary for the Committee to place an action requesting the TSO to do so.

Proposer advised that it will be necessary for the definition of ATC within the T&SC to be modified in advance of the impending 2016 changes. Proposer further advised that rather than raising a proposal to address it now, it is more prudent for it to be included in the discussion of the necessary 2016 changes to the market. Supplier Alternate was in agreement.

Actions

* TSO to consider alternative implementation options outside of impacting on the underlying principles of the SEM

Decision

* The proposal was deferred by Majority Decision

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| **Deferred** |
| Patrick Liddy | DSU Member | Approve Additional Comment:Agree with Modification as proposed, pointed out that the change is advantageous for electricity customers not necessarily SEM Participants. |
| Brian Mongan | Generator Alternate | Approve Additional Comment: With the caveat that the Code Objectives are examined by the RAs when determining a decision. |
| Kevin Hannafin | Generator Member | Defer |
| Niamh Quinn | Generator Member | Approve Additional Comment Subject to legal drafting changes put forward by both Endesa observer and RAs. |
| Emeka Chukwureh | Supplier Alternate | RejectAdditional Comment Based on fundamental Market principles. |
| William Steele | Supplier Member | Defer Additional Comment TSOs to put forward alternative implementation options. |
| William Carr | Supplier Member | Defer optionsAdditional Comment TSOs to put forward alternative implementation options. |
| Jill Murray-Chair | Supplier Member | Defer optionsAdditional Comment TSOs to put forward alternative implementation options. |

## Mod\_22\_12 Administered Scheduling for General System Failure

*Proposer: SEMO*

SEMO Member outlined background of proposal advising that it proposes a change to the definition of what constitutes an MSP Failure and what can trigger Administered Settlement. SEMO Member advised that the proposal was raised to account for the situation where the Central Market System is unavailable yet the Market Operator has an obligation to produce MIUNs for Interconnector trading day ahead and within day.

Supplier Alternate drew attention to the title of the proposal advising that it should be entitled “Administered Settlement”, as opposed to “Administered Scheduling”.

Supplier Alternate expressed the view that the obligation should be defined separately to General Systems Failure (GSF).

SEMO Member advised that the issue is that the main body of the T&SC takes precedence over the Glossary.

SEMO Member advised that SEMO will investigate as to whether there is an alternative way of allowing the calculation of MIUNs in the case of General System Failure.

Actions

* SEMO to examine Glossary definition and its impact on General System Failure

Decision

* The proposal was deferred

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| **Deferred** |

## Mod\_23\_12 minimuM Stable Generation Correction

*Proposer: SEMO*

Proposer outlined the changes proposed in the Modification Proposal advising that the change was deemed necessary following the last certification process. Proposer advised that this modification amends the Glossary definition previously amended in Mod\_42\_10v2 and also clarifies the use of Minimum Stable Generation in Ex-Ante MSP Software Runs. Proposer advised that a subsequent round of certification will be commencing, therefore the proposal should be deferred pending feedback from the certification team.

Supplier Alternate raised a query regarding the term “Accepted” in Clause N.41 B and N.41 C and whether this includes Price Maker Generators who would have submitted TOD in Gate Window EA1, and choose not to submit it in EA2.

SEMO Member advised that Intra-Day Trading introduced Starting Gate Window Data, defined in Section 3.44 of the T&SC defining which data will be used in the case of non-submission to a particular Gate Window. For example, for EA2 the EA1 data would be used and for WD1 the latest Accepted Data would be utilised.

Actions

* N/A

Decision

* The proposal was deferred

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

* **Deferred erred**

##  AOB/Upcoming Events

MIUN Issue

SEMO Member advised that the MO is considering raising an Urgent Modification Proposal in the coming weeks to address a MIUN issue that was discovered post IDT Go-Live. SEMO Member advised that an issue with regard to extreme ramping in the MIUN Calculation software may need to be addressed sooner than Modifications Committee Meeting 45 in order to deliver a solution in November 2012. The issue was previously communicated by SEMO through a number of channels including presentation to the Market Operator User Group on 18th September last and a modification proposal is currently in draft format undergoing review.

The change is being put forward to implement what was agreed in the high level principles during the IDT Modification Proposal development. Accordingly MIUNs from EA1 and EA2 should be treated as fixed for subsequent Gates. A scenario where extreme ramping occurs such that the profile is limited by the Interconnector Ramp Rate and there is a change in the dominant direction of ramping, could result in slight degradation of EA1 MIUNs where the MIUNs are not fixed.

SEMO Member advised that a Modification Proposal is being drafted and will be issued next week with slides for Participants to review. Should the RAs deem the proposal Urgent, an Emergency meeting will take place. Secretariat provided some clarity around the process for an Emergency Meeting.

Ulster bank query

Supplier Alternate questioned if there was any feedback regarding a query raised under AOB at Meeting 43 regarding the Ulster Bank IT crisis and its impact on the market. SEMO Member confirmed that following discussions with SEMO Finance, SEMO can confirm that Market Operations were proactive with contacting Participants when the issue came to light and there was no impact on the market over the course of the issue. Supplier Alternate questioned what would happen if National Irish bank failed. SEMO Member said that the MO has a number of mitigation options in place to address a number of eventualities that are considered by regular review of an internal risk register. SEMO Member advised that it is not realistic to assess every possible disaster but the MO does conduct regular reviews of potential risks to the Market. Participants should be reassured by the fact that the steps taken by SEMO Finance and Market Operations during the Ulster Bank issue did not affect Participants. Vice-chair questioned if the option exists for the MO to act reasonably under the existing Force Majeure rules in the Code. Supplier Alternate noted that even if SEMO would like to do what is deemed reasonable in such a circumstance, the existing rules may not allow for that. Concern around the issue of a default notice in such an instance was voiced. MO Member advised again that the Ulster Bank crisis did not have an adverse impact on the market.

Euro currency issue

Generator Member asked if the Market Operator has a contingency plan in place should Ireland exit the Euro. MO Member confirmed that internal discussion had taken place last year as part of the risk register discussions and the MO has looked at a number of scenarios and produced a plan internally. However, this is not an issue at present but it will remain on the risk analysis and is revisited every few months. Further noted that the risk register is an internal document that assesses various types of risks to the Market and its communications regarding this document are not issued. Generator Member asked for release of the contingency plan (even at a high level) detailing how and when changes would be made to market systems in the event of Ireland exiting the Euro.  MO Member noted that SEMO are not comfortable in disclosing internal process information but agreed to take the query back to the relevant department within SEMO to see if SEMO thinks it appropriate for additional information may be made available to the Committee on this specific concern.

Calendar updates

Modifications Committee Meeting 45 will take place on 27th November in Belfast. (13th
November is the cut-off date for Modification Proposal submission). The second Working Group to discuss the CAES options will take place on 23rd October in Dublin.

# Appendices

## Appendix 1 - Secretariat Programme of Work

|  |
| --- |
| **Status as at 25 September 2012** |
| **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\_16\_12 Inconsistent Technical Capabilities when Higher Operating Limit is zero and less than Lower Operating Limit | T&SC Section 1; Agreed Procedure 6  | 17 September 2012 |
| Mod\_15\_12 Inclusion of ATC limit slack variables and associated penalty cost Parameters | T&SC Section 1; T&SC Appendix N; T&SC Glossary  | 18 September 2012 |
| **RA Decision Approved Modifications with System Impacts** |
| **Title** | **Sections Modified** | **Effective Date** |
| Mod\_01\_11 UI Payments for Generator Units | T&SC Section 4 | October 2012 |
| Mod\_40\_10 Differentiation between Dwell Times and Dwell Trigger Points while ramping up and ramping down | T&SC Appendix I, N, O | October 2012  |
| Mod\_42\_10 Changes to the Single Ramp Up Rate and the Single Ramp Down Rate Calculation | T&SC Section 5, Appendix H, I, N & Glossary | October 2012  |
| Mod\_06\_11 Increasing Maximum Daily Submission Number and Automating Cancellation of Settlement Reallocation Agreements | AP 10 | October 2012 |
| Mod\_12\_11 Interconnector Unit Loss Adjustment when Exporting | T&SC Section 4 | October 2012 |
| Mod\_21\_11 UI Payments for generator units constrained on | T&SC Section 5 | October 2012 |
| 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 |
| **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 | 01 May 2013 |
| Mod\_14\_12 Reference to MO Status for VTOD  | T&SC Section 3 & AP4 | 30 August 2012 |
| Mod\_18\_12 Constraint Payments Calculation for Interconnector Residual Capacity Units | T&SC Section 5,7 & Glossary | 05 September 2012 |
| **RA Decision Rejected Modifications** |
| Mod\_10\_12 Amendment to Appendix P to ensure correct treatment of Interconnector Unit Offer Data | T&SC Section 6, Glossary, AP4, AP9 and AP15 | N/A |
| Mod\_12\_12 Mandating adherence to the BCOP by all Price Maker Generator Units | T&SC Section4; T&SC Glossary  | N/A |
| **AP Notifications** |
| Mod\_06\_12\_Improved Efficiencies in LCF Process | AP7 | 09 October 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 1 | 14 August 2012 |
| Mod\_11\_12 Proposal to extend definition of Special Units to include Compressed Air Energy Storage | Working Group 2  | 16 October 2012 |
| **T&SC Version 12- November 2012** |
| Version 12.0 of the Code & Agreed Procedures to be published in line with the 12th CMS Release |