

Single Electricity Market

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| Modifications Committee Meeting Minutes  Meeting 62  radisson blu hotel,  16 june 2015  10:30 – 12:30 |

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Document History

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| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 23rd June 2015 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 30th June 2015 | Modifications Committee Secretariat | Modifications Committee and observer review complete. |

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

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| **Document Name** |
| [Trading and Settlement Code](http://semopub/MarketDevelopment/MarketRules/TSC.docx) and [Agreed Procedures: Version 16.0](http://semopub/MarketDevelopment/Pages/MarketRules.aspx) |
| [Mod\_02\_13 Registration of Charges\_v2](http://semopub/MarketDevelopment/ModificationDocuments/Mod_02_13_v2%20V1.0.docx) |
| [Mod\_04\_15 Modification to Relevant Meter Operator Role and support requirements for Meter Communication Channels](http://semopub/MarketDevelopment/ModificationDocuments/Addition%20of%20Meter%20Operator%20Obligations%20to%20the%20TSC.docx) |
| [Mod\_06\_15 REMIT Data Reporting by the Organised Market Place to ACER](http://semopub/MarketDevelopment/ModificationDocuments/Mod_06_15%20REMIT%20Modification%20Proposal.doc) |
| [Mod\_07\_15 Amendment to AP07 to include the use of the SEMO public website and email notification as the main communication channel in the event of a GCF.](http://semopub/MarketDevelopment/ModificationDocuments/AP07%20%20Mod.doc) |
| [CMS Presentation](http://semopub/Publications/General/CMS%20Slides%20-%20MODS%20Meeting%2062.pdf) |
| [Election Presentation](http://semopub/Publications/General/Elections%202015.pdf) |

In Attendance

|  |  |  |
| --- | --- | --- |
| Name | Company | Position |
| **Modifications Committee** | | |
| Adelle Watson | NIE T&D | MDP Member |
| Aine Dorran | ESBI | Generator Member |
| Brian Mongan | AES | Generator Member |
| James Long | ESB MRSO | MDP Member |
| Jean Pierre Miura | UR | RA Member |
| Katia Compagnoni | SEMO | MO Member |
| Kenny Dane | UR | RA Alternate |
| Kevin Hannafin-Chair | Energia | Generator Member |
| Kris Kennedy | SONI | SO Member |
| Mary Doorly | IWEA | Generator Member |
| Marc Senouci | EirGrid | SO Alternate |
| Philip Carson | Power NI | Supplier Alternate |
| William Carr | Electric Ireland | Supplier Member |
| **Secretariat** | | |
| Sherine King | SEMO | Secretariat |
| Esther Touhey | SEMO | Secretariat |
| **Observers** | | |
| Alistair Cooke | SONI | Observer |
| Evan Horan | SEMO | Observer |
| Leigh McCarthy | EirGrid | Observer |
| Sinead O’Hare | NI PPB | Observer |
| Scott Lennox | NI PPB | Observer |

# SEMO Update

The Minutes from Meeting 61 were read and approved. The final approved version of the minutes is now published on the SEMO website.

Secretariat advised of changes to the Alternate Member for both SONI and IWEA. Emma Morris will be replaced by Alastair Cooke with Kenneth Matthews replacing Catriona Diviney. Secretariat welcomed these new members.

Secretariat delivered a [presentation](http://semopub/Publications/General/Elections%202015.pdf) summarising the Annual Election process. The process commenced with Expiration Notifications sent to the following members –

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| **Position** | **Member** | **Alternate** | **Company** |
| Generator Member | Mary Doorly | Kenneth Matthews | IWEA |
| Generator Member | Kevin Hannafin | Derek Scully | Viridian |
| Supplier Member | Jill Murray | Julie-Anne Hannon | Bord Gáis |
| Supplier Member | William Steele | Philip Carson | Power NI |

Secretariat presented the Programme of Work.

MO Member presented the [CMS Update](http://semopub/Publications/General/CMS%20Slides%20-%20MODS%20Meeting%2062.pdf) and advised that the cut-off date for the October release was 6th March 2015 and that the May Release was deployed on Friday 16th May. MO Member also advised that the REMIT workshop took place on 26th May.

# Review of Actions

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| Actions Recorded At previous meetings | | |
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| REMIT | * SEMO to facilitate a clarification session for Participants, to be organised by RAs, as soon as possible – **Closed – details published – workshop 26th May** | |
| Mod\_13\_14 DSUs as Predictable Price Takers | * Proposer to discuss potential workaround with SOs and MO**-Closed, withdrawn** | |
| Mod\_05\_15 Representation of Interconnector User Participants on the Modifications Committee | * SEMO/Secretariat to issue clarification prior to circulation of the FRR around voting eligibilities for Generator Participants who have ICUs registered, once the mod has been approved and implemented**- Closed, clarification issued by secretariat in the FRR** | |
| Mod\_11\_12: Definition of Special  Units | * Secretariat to collate all CAES documentation and distribute to relevant I-SEM personnel to be captured for consideration in on-going design process- **Closed – Information shared with the Central Arrangements workstream of EirGrid’s European Market Integration Project** | |
| Mod\_02\_13 Registration of Charges | * SEMO to continue to pursue Participants in relation to signing the Deeds of Charge- **Open** * PM to provide clarification around the secured obligation aspect of Section 7.1 “Event of Default” and the separate definition of “Event of Default” – **Closed, will be included in V7 of the Deed** * PM to re-instate reference to “reckless” in Section 9.1 Liability – **Closed, will be included in V7 of the Deed** * Section 10.1 Assignment by the MO to be made subject to RA consent/approval – **Closed, will be included in V7 of the Deed** * PM/EirGrid legal to discuss with Danske Bank the possibility of removal of the indemnity in the Notice to the Bank/ the inclusion of a indemnity cap – **Closed – Indemnity removed in V7 of the Deed** * SEMO to investigate whether possible workaround exists for the use of CRAs for the payment of small invoices, in relation to the creation of separate accounts **– Closed, SEMO advised no workaround currently possible and a MOD would be required.** * Secretariat to schedule Extraordinary meeting (via conference call) to vote on the updated deed of charge – **Open** | |
| Mod\_04\_15 Modification to Relevant Meter Operator Role and support requirements for Meter Communication Channels | * Meter Data Operator to liaise with proposer and revert to Committee in June with financial impact/cost-benefit analysis of implementation of the proposal **- Open** * Proposer to liaise with key stakeholders to ensure that all ongoing forums discussing metering issues adopt a co-ordinated response **- Closed, Proposer and Meter Data Operator outlined the requirements for D+3 metering at a DSO/TSO/IWEA meeting in May.**ESB (Generator Member) to provide detail  of previous situation involving delays in VPTG unit registration issue due to issues with metering requirements**- Closed, received** | |

# Deferred Modification Proposals

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

*Proposer: EirGrid*

Eirgrid Legal Representative advised that following a series of negotiations Danske Bank have agreed to the removal of the indemnity clause requirement from the Deed of Charge. Chair welcomed this development advising that this was a great result. Eirgrid Legal Representative advised that a final review was being conducted with SEMO Finance. Once complete this version of the Deed will be circulated for review prior to a Conference Call to agree to the Deed. A review period of one week was suggested due to the minor changes since the last version of the document. Observer and Supplier Member expressed their wish for a minimum two week period as more acceptable.

Secretariat suggested that a briefing note be provided with the Deed detailing the final changes to aid the review process. Eirgrid Legal Representative advised that such a note would be provided and it was agreed that the Deed would be circulated as soon as available and a two week review period would then be followed with a conference call. Observer noted that a vote could not be taken on the Deed versioning as this is only a part of the full Modification. Rather an agreement should be reached on the version to be included in the Mod so that this could be voted on. Eirgrid Legal Representative agreed that the process to progress the modification to a conclusion would be to agree to the Deed on the call to then take a vote on the proposal at Meeting 63 on 13th August.

Actions

* Secretariat to schedule Extraordinary meeting (via conference call) to agree the updated Deed of Charge –**Open (updated Deed is currently being finalised and is to be circulated for a 2 week review period)**

Decision

* The proposal was deferred

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| **Deferred** |

## II. Mod\_04\_15 MODIFICATION TO RELEVANT METER OPERATOR ROLE AND SUPPORT REQUIREMENTS FOR METER COMMUNICATION CHANNELS

*Proposer: EirGrid*

SO Alternate provided updates on the outstanding actions items. Generator Member queried who would be paying for the metering/communication upgrades required in relation to this proposal. SO Alternate advised that this information would be available for Meeting 63. Generator Member also enquired on cost/benefit analysis in relation to the Market impact and MO Member confirmed that SEMO is working with the proposer to include some analysis on the impact to the Market. Meetings have also been held between the proposer and the DSO in relation to this modification and the metering requirements were outlined at a meeting between the TSO, DSO and IWEA. The modification is deferred pending further information from the proposer.

Decision

* The proposal was deferred
* Actions previously recorded in progress

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| **Deferred** |

# new Modification Proposals

## I. Mod\_06\_15 REMIT Data reporting by the organised market place to acer

Proposer SEMO

Eirgrid Legal Representative advised that the proposal is being raised in order to address the REMIT data reporting requirement provision. Eirgrid Legal Representative advised that the proposal was not detailed to allow for discussion on this matter and to allow for participants position on this to be considered. Eirgrid Legal Representative also advised that this proposal still required a thorough legal and technical review and welcomed comment and feedback from the Committee to allow them to develop this proposal. MO Member advised that Bord Gais had submitted comments on this proposal in their absence. A concern expressed in these comments related to liability. Eirgrid Legal further explained liability for Participants and SEMO as reporting authority.

Chair asked for clarification as to what was being asked of the Committee by the proposer. Eirgrid Legal Representative asked that the Committee express their position regarding how they wish the requirements to be progressed, stating a preference for either bilateral contracts or a centralised reporting system. All comments and questions on this matter were also encouraged. Generator Member advised that the REMIT workshop created more questions rather than providing information. Supplier Alternate advised the need for overall clarity of the requirements of Suppliers relating to REMIT as he felt a degree of confusion existed in this area and also questioned the area of how this would be accounted for in terms of cost recovery.

MO Member confirmed that SEMO’s obligation is to be able to provide this service and that these obligations came from Europe not RAs.

Generator Member expressed concerns at including an external obligation into the Code. Also Generators have additional obligations that do not fall under SEMO obligation to provide a reporting facility, he therefore questioned whether it would be more efficient for Generators to build their own system without relying on SEMO and duplicating costs. MO member advised that Participants consider the complexity of the obligations required should they not wish to proceed with centralised reporting systems, and the preference indicated from Acer to receive as much data as possible from centralised sources to guarantee consistency of treatment to the data.

Several members of the committee expressed a preference for a centralised approach while there were other members questioning transparency of REMIT project, particularly with regarding recovery of costs. MO Member advised that SEMO’s reporting as it stands, falls within the agreed release budget and only the maintenance costs are to be recovered through the normal channels. Generator Member raised the facility of a receipt being required for this data transaction and if SEMO was facilitating reporting for all obligations. RA Member advised that this provision was only to report on spot market data. MO Member stressed that SEMO will only report on SEMO transactions for which it holds all data and that the concerns regarding receipts have been taken on board but currently there is no such provision planned. Members expressed the need for further discussion on this proposal and REMIT reporting, while Chair proposed possible working group or workshop to progress the issue in more detail. Chair also asked to explore other alternative if possible like a framework agreement. Secretariat addressed the timescale involved as Meeting 63 is in August and the REMIT deadline is October 7th making this matter more urgent. The need for an Extraordinary meeting in September was suggested as a possibility.

MO Member advised that all questions regarding REMIT could also be addressed to [remit@sem-o.com](mailto:remit@sem-o.com) and that not many comments were received after the workshop. Eirgrid Legal Representative asked that all these questions and comments be addressed to both [remit@sem-o.com](mailto:remit@sem-o.com) and [modifications@sem-o.com](mailto:modifications@sem-o.com) for consideration in the development of the modification proposal.

Secretariat proposed that the Committee have a 2 week review period ending 30th June to submit feedback and comments on the reporting approach and approach to be used for furthering this discussion. Eirgrid Legal Representative and MO Member will then use this feedback in the development of a detailed modification proposal or alternative solutions to be circulated to the committee as soon as available to be vote on prior to the October 7th REMIT deadline. The committee were satisfied with this approach.

***Actions***

* Participants to submit any comments or feedback on the proposal and advise whether they feel a working group/workshop is the preferred approach by 30th June 2015 to [modifications@sem-o.com](mailto:modifications@sem-o.com) and [remit@sem-o.com-](mailto:remit@sem-o.com-) **Open**

Decision

* The proposal was deferred

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| **Deferred** |

## II. Mod\_07\_15 mod\_07\_15 amendment to ap07 to include the use of the semo public website and email notification as the main communication channel in the event of GCF

Proposer SEMO

MO Member advised that it is proposed to amend AP7 to include the use of Market Messages on the Market Operator public website and e-mail alerts to replace the current emergency communication methods relating to a General Communication Failure. The methods currently set out in AP7 are fax, postal and telephony based. The use of fax, post and telephone calls does not lead to efficient communication with affected parties in the event of a General Communication Failure whereas using the Market Operator public website and e-mail alerts is instant and the established participant communication method.

MO Member advised that in the situation of a General Communication Failure there would be significant concerns for the Market Operator however such an eventuality must be considered. SEMO has a reliable back up procedure, with two servers being available in Belfast and Dublin, plus a number of staff having access rights from home. These should cover nearly all scenarios. Chair asked if an SMS/Text facility was open to use by the Market Operator or if it had been considered. MO Member advised that such a system relied on the accuracy of a contact list that required regular maintenance and questioned who should be on such a list and how to access it from a mobile.

The committee were satisfied with the rationale behind this proposal and were happy to vote to approve this modification.

***Actions***

* Secretariat to publish AP Notification - **Open**

Decision

* The proposal was Recommended for Approval

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| **Recommended for Approval by Unanimous Vote** | | |
| Áine Dorran | Generator Member | Approved |
| Adelle Watson | MDP Member | Approved |
| Brian Mongan | Generator Member | Approved |
| Kevin Hannafin-Chair | Generator Member | Approved |
| James Long | MDP Member | Approved |
| Kris Kennedy | SO Member | Approved |
| Katia Compagnoni | MO Member | Approved |
| Marc Senouci | SO Alternate | Approved |
| Mary Doorly | Generator Member | Approved |
| Philip Carson | Supplier Member | Approved |
| William Carr | Supplier Member | Approved |

# AOB/upcoming events

Calendar updates

* The next meeting will be Thursday 13th August in The Spencer Hotel, Dublin.

* Submission deadline – Thursday 30th July.
* Extraordinary Meeting (Conf Call) to be scheduled relating to Mod\_02\_13 Deed of Charge – date in July to be confirmed.

# Appendices

## Appendix 1 - Secretariat Programme of Work as discussed at meeting 62

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| **Status as at 16 June 2015** | | | | | |
| **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 | |
| **Modification Proposals ‘Recommended for Approval’ with system impacts** | | | | | |
| Mod\_12\_13 Amendment to Special Units Pumped Storage definition to include Energy Storage | | T&SC Section 2; T&SC Section 4; T&SC Section 5; T&SC Appendix H; T&SC Appendix I; T&SC Appendix M; T&SC Appendix N; T&SC Appendix O; T&SC Glossary | | FRR currently in draft (legal drafting being finalised) | |
| **Modification Proposals ‘Recommended for Approval’ without system impacts** | | | | | |
| Mod\_08\_14 Clarification of SEM Collateral Reserve Accounts | | T&SC 6.19 | | 20 May 2015 | |
| **Modification Proposals ‘Recommended for Rejection’** | | | | | |
| Mod\_10\_14 Make Whole Payments to Interconnector Units | | N/A | | 27 March 2014 | |
| Mod\_11\_14 Pay-as-bid/Paid-as-bid Interconnector Units | | N/A | | 27 March 2014 | |
| Mod\_12\_14 Amendment to Make Whole Mechanism to remove Settlement Periods of simultaneous import and export flows. | | N/A | | 08 May 2015 | |
| **RA Decision ‘Further Work Required’** | | | | | |
| 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\_09\_14 Amendment to Make Whole Payments for Interconnector Units | | T&SC Section 4 | | Next CMS Release | |
| **RA Decision Approved Modifications without System Impacts** | | | | | |
| Mod\_05\_15 Representation of Interconnector User Participants on the Modification Committee | | Section 2, AP12 & Glossary | | 15 June 2015 | |
| **AP Notifications** | | | | | |
| Mod\_03\_15 Correction of Error in AP04 | | Agreed Procedure 04 | | 7th May 2015 | |
| **Withdrawal Notifications** | | | | | |
| Mod\_11\_12 Proposal to extend the definition of Special Units to include Compressed Air Energy Storage. | **T&SC Section 5** | | | | **Withdrawal Notification Published on 01 May 2015** |
| Mod\_13\_14 DSUs as Predictable Price Takers | **T&SC Section 5.154, Appendix I** | | | | **Withdrawal Notification Published on 01 May 2015** |
| **Modification Proposal Extensions** | | | | | |
| Mod\_02\_13 Registration of Charges | | Extension Granted | | 31 August 2015 | |
| * **Cut-off date for October 2015 release was 6th March 2015** * **Release completed 15th May 2015** * **T&SC Version 17 published 15th May 2015** * **Election process commenced with Expiration Notifications** | | | | | |