

Single Electricity Market

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| Modifications Committee Meeting Minutes  Meeting 78  dublin – Eirgrid offices  12 december 2017  10.30 – 15.00 |

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Table of Contents

[1. Semo Update 5](#_Toc501541032)

[2. Review of Actions 5](#_Toc501541033)

[3. Deferred Modifications Proposals 6](#_Toc501541034)

[Mod 12\_17 Outage Adjusted Wind and Solar Forecast reports 6](#_Toc501541035)

[4. New Modifications Proposals 7](#_Toc501541036)

[mod\_13\_17 Deferral of SEM NEMO Credit Reports and Non Accceptance of contracted quantities 7](#_Toc501541037)

[mod\_14\_17 Part B Suspension When SUspended Under Part A 7](#_Toc501541038)

[mod\_15\_17 Credit Treatment for Adjusted Participants 8](#_Toc501541039)

[mod 16\_17 Funding in Relation to Eirgrid-SONI Payment obligations 9](#_Toc501541040)

[mod\_17\_17 REcovery of costs due to invalid ex-ante Contracted quantities in Imbalance Settlement 10](#_Toc501541041)

[mod\_18\_17 Net Inter Jurisdictional Import Submission 10](#_Toc501541042)

[5. AOB/upcoming events 10](#_Toc501541043)

[Appendices 12](#_Toc501541044)

[Appendix 1 - Secretariat Programme of Work as discussed at meeting 78 12](#_Toc501541045)

Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 21 December 2017 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 18 January 2018 | Modifications Committee Secretariat | 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

|  |
| --- |
| **Document Name** |
| [Trading and Settlement Code and Agreed Procedures: **Version 20.0**](http://semopub/MarketDevelopment/Pages/MarketRules.aspx) |
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In Attendance

|  |  |  |
| --- | --- | --- |
| Name | Company | Position |
| **Modifications Committee** | | |
| Adele Watson | NIE Networks | MDP Member |
| Barry Hussey | CRU | RA Member |
| Brian Mongan | AES | Generator Member |
| Clive Bowers | ESB | Generator Alternate |
| Chris Goodman | SONI | MO Member |
| Conor Powell | SSE | Supplier Member |
| David Gascon | Bordnamona | Generator Alternate |
| Kevin Hannafin | Energia | Generator Member |
| Marie-Therese Campbell | SONI | SO Member |
| Julie-Anne Hannon (Chair) | Bord Gais | Supplier Member |
| Marc Senouci | Eirgrid | SO Member |
| Kenny Dane | UREGNI | RA Alternate |
| Gerry Halligan | ESB Networks | MDP Member |
| William Steele | Power NI | Supplier Alternate |
| **Secretariat** | | |
| Esther Touhey | SEMO | Secretariat |
| **Observers** | | |
| Cormac Daly | Tynagh Energy | Observer |
| Peter Wibberley | Yellow Wood | Observer |
| Mariela Atenosova | CRU | Observer |
| Scott Lennox | Power NI | Observer |
| Colm O’Gormain | SSE | Observer |
| Nigel Thomson | SEMO | Observer |
| Brendan O’Sullivan | SEMO | Observer |
| Michael Kelly | Eirgrid | Observer |

# Semo Update

The Minutes from Meeting 77 were read and approved by the Secretariat. The final version of the Minutes is available [here.](http://semopub/Meetings/Minutes%20Meeting%2077%20version%201.0.docx)

**Programme of Work**

Secretariat presented the Programme of Work and a review of previous meeting actions.

# Review of Actions

|  |  |
| --- | --- |
| Actions recorded at previous meeting | |
| Mod 10\_17 Ex-Ante Quantities Deferral | * Secretariat to draft Final Recommendation Report – **Open** |
| Mod\_06\_17 Transitional Credit Cover Provisions | * Secretariat to draft Final Recommendation Report – **Open** * Proposer to provide clarifications in the following areas :   + Legal implications of deed of charge references to Part A   + Query as to whether older deeds can be released once new deed implemented   + Document requested to provide clarity regarding mapping of IDs from SEM to I-SEM   + Check typo error in legal text   + Provide document summarising business process with timelines – **Closed** |
| Mod\_12\_17 Outage Adjusted Wind and Solar Forecast Reports | * Clarification to be provided by TSOs regarding what outage adjustments will be included in the standard forecasts and whether this will include long term and short term outages – **Closed** |
| Mod\_11\_17 Deferral of Information Imbalance Charges | * Secretariat to seek clarity from I-SEM project relating to D+2 provision - **Open** |

# Deferred Modifications Proposals

## Mod 12\_17 Outage Adjusted Wind and Solar Forecast reports

Proposer discussed the remaining actions from Meeting 77 and clarifications in relation to provision of data were given. It was advised that the specified report (that the proposer is seeking to remove under this Mod) was in fact duplication of an extract of an wider outage-adjusted report. Discussion took place regarding the timing and content of SEM and I-SEM wind forecasts. TSO Member confirmed the points made by the proposer that the wind forecast in I-SEM will include outage adjustment data as is available on a reasonable endeavours basis i.e. the TSOs will apply outage information available to them prior to submission to the market including those resulting from transmission system outages and those resulting from generator outages. Since the process around outage adjustment of wind forecast data is currently under development there was limited detail that could be provided at present.

The process will be developed and finalised before go-live.

Committee were in agreement to vote on this proposal.

Decision

The proposal was Recommended for Approval.

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| --- |
| **Recommended for Approval** |

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Conor Powell | Supplier Member | Approved |
| Kevin Hannafin | Generator Member | Approved |
| Clive Bowers | Generator Alternate | Approved |
| David Gascon | Generator Alternate | Approved |
| Brian Mongan | Generator Member | Approved |
| William Steele | Supplier Member | Approved |
| Julie-Anne Hannon | Supplier Member (Chair) | Approved |

**Actions :**

* Secretariat to draft Final Recommendation Report - **Open**.

# New Modifications Proposals

## mod\_13\_17 Deferral of SEM NEMO Credit Reports and Non Accceptance of contracted quantities

Proposer delivered a [presentation](http://semopub/MarketDevelopment/ModificationDocuments/Mods%20Panel%2078%20-%20Mod_13_17%20Contract%20Refusal%20Deferral.pptx) summarising the requirement for this proposal. Proposer indicated that implementing this modification to defer this functionality to the Day 2 implementation impacts credit cover risk by one day only as rules relating to the failure to respond to a Credit Cover Increase Notice under the Code will apply. Discussion took place regarding the suspension process and communication of credit cover increase notices. Manual workarounds were also discussed. One potentially simple manual workaround relating to sending an email from SEMO to SEMOpx once SEMO becomes aware that a Response Period Duration for a party has expired and its credit cover hasn’t been fixed, will be considered further by SEMO.

Implications for the SEMOpx market were also raised. It was reiterated that this proposal is a deferral and will be implemented as soon as possible after go-live. It was suggested that consideration be given to placing an obligation on SEM NEMOs not to submit contracts when participants were subject to a suspension order.

Committee sought further clarifications on this matter with a view to then vote at Meeting 79 in January.

Decision

The proposal was Deferred.

**Actions :**

* Proposer to review Agreed Procedure 9 to clarify process and ensure that process is explicit- **Open**.
* Proposer to explore if simple workaround process discussed is viable option - Open.
* Consider if it is appropriate to include an obligation on SEM NEMOs not to submit contracts when participants are subject to a suspension order.

## mod\_14\_17 Part B Suspension When SUspended Under Part A

Proposer delivered a [presentation](http://semopub/MarketDevelopment/ModificationDocuments/Mod_14_17%20Part%20B%20Suspension%20When%20Suspended%20Under%20Part%20A.pptx) summarising the requirement for this proposal. Proposer advised that this proposal would introduce a trigger within Part B of the Trading and Settlement Code to ensure that where a Party is suspended under Part A then suspension under Part B can be pursued resulting in concurrent suspension processes. A proposal was considered suggesting that the suspension process under Part B should be triggered once a suspension order is issued under Part A rather than after suspension in Part A is complete with the aim of ensuring that simultaneous suspension under Parts A and B apply, if suspension comes into effect in Part A. Proposer advised he would take on board the comments and would clarify this in the legal drafting section of the Final Recommendation Report.

Committee were in agreement to vote on this proposal subject to legal drafting changes.

Decision

The proposal was Recommended for Approval.

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| --- |
| **Recommended for Approval** |

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Conor Powell | Supplier Member | Approved |
| Kevin Hannafin | Generator Member | Approved |
| Clive Bowers | Generator Alternate | Approved |
| David Gascon | Generator Alternate | Approved |
| Brian Mongan | Generator Member | Approved |
| William Steele | Supplier Member | Approved |
| Julie-Anne Hannon | Supplier Member (Chair) | Approved |

**Actions :**

* Secretariat to draft Final Recommendation Report - **Open**.
* Proposer to capture amended legal drafting in FRR - **Open**

## mod\_15\_17 Credit Treatment for Adjusted Participants

Proposer delivered a [presentation](http://semopub/MarketDevelopment/ModificationDocuments/Mod_15_17%20Credit%20Treatment%20For%20Adjusted%20Participants.pptx) summarising the requirement for this proposal. Proposer indicated that the proposal would amend the credit treatment for Adjusted Participants so that it reverted back to the same approach as for New Participants. This would mean credit calculations for such Participants being based on forecast volumes as opposed to a forecast adjustment factor to align with the current system design. It was advised that this mechanism had not been used once in the 10 years of SEM and there were no grounds to believe it would be used more in I-SEM. RA Alternate had submitted comments in relation to typos and glossary updates and asked the Proposer to reflect these.

Committee were in agreement to vote on this proposal subject to legal drafting.

Decision

The proposal was Recommended for Approval.

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| **Recommended for Approval – subject to legal drafting** |

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Conor Powell | Supplier Member | Approved |
| Kevin Hannafin | Generator Member | Approved |
| Clive Bowers | Generator Alternate | Approved |
| David Gascon | Generator Alternate | Approved |
| Brian Mongan | Generator Member | Approved |
| William Steele | Supplier Member | Approved |
| Julie-Anne Hannon | Supplier Member (Chair) | Approved |

**Actions :**

* Secretariat to draft Final Recommendation Report - **Open**.
* Proposer to provide legal drafting containing typo and glossary corrections - **Open**

## mod 16\_17 Funding in Relation to Eirgrid-SONI Payment obligations

Proposer delivered a presentation summarising the requirement for this proposal. Discussion took place covering the areas of financing, constraints costs and forecasting issues. Price control questions were also raised and working capital was discussed at length.

Committee sought further clarifications on this matter with a view to then vote at Meeting 79 in January.

Decision

The proposal was Deferred.

**Actions :**

* Proposer to review workings of the supplier socialisation funding and provide clarity - **Open**.
* Members to provide comments and feedback to [modifications@sem-o.com](mailto:modifications@sem-o.com) by Tuesday 19th December - **Open**.
* Proposer to draft version 2.0 addressing the prioritisation of the process in respect of the suspension and accrue aspect - **Open**.

## mod\_17\_17 REcovery of costs due to invalid ex-ante Contracted quantities in Imbalance Settlement

Proposer delivered a presentation summarising the requirement for this proposal. Discussion took place focusing on the areas of liability of SEMOpx for invalid ex ante contracted quantities in the balancing market and its mitigation.

Committee sought further clarifications on this matter with a view to then vote at Meeting 79 in January.

Decision

The proposal was Deferred.

**Actions :**

* Members to provide comments and feedback to [modifications@sem-o.com](mailto:modifications@sem-o.com) by Tuesday 19th December - **Open**.
* Proposer to draft version 2.0 of the proposal taking members comments and feedback onboard - **Open**.

## mod\_18\_17 Net Inter Jurisdictional Import Submission

Due to time constraints this proposal was not discussed. This proposal will be discussed at the next meeting in January.

# AOB/upcoming events

**Committee Membership & Housekeeping**

Secretariat welcomed Marie-Therese Campbell to the committee.

Secretariat advised that invites would be issued shortly for 2018 meetings

Calendar updates

* Mods Meeting 79 – 25th January 2018 - Belfast
* 2018 Schedule to be issued shortly

# Appendices

## Appendix 1 - Secretariat Programme of Work as discussed at meeting 78

|  |  |  |
| --- | --- | --- |
| **Status as at 12th December 2017** | | |
| **Modification Proposals ‘Recommended for Approval’ without System impacts** | | |
| **Title** | **Sections Modified** | **Sent** |
| Mod\_07\_17 : Credit Assessment Volume for Generator Units | T&SC Part B  Clause G.14.4.1  Glossary Part B  Definition - Credit Assessment Volume  Variable - VCAG | 24 November 2017 |
| Mod\_08\_17 : Decremental Price Quantity Pair Submission | T&SC Part B  D.4.1.1, D.4.4.2, D.4.4.10, D.4.4.11 | 24 November 2017 |
| Mod\_09\_17 : Solar in I-SEM | See Mod Proposal | 24 November 2017 |
| Mod\_11\_17 : Deferral of Information Imbalance Charges | Part B Section H.6  Part B Appendix G paragraph 14  Part B Glossary | 24 November 2017 |
| Mod\_06\_17 Transitional Credit Cover Provisions | Part C Introduction, Part C Section 11, Part C Glossary and Part C Appendix | FRR being drafted |
| Mod\_10\_17 Ex-Ante Quantities Deferral | Part B Section F  F.5.2.6  F.5.2.7  F.5.2.8  F.5.2.9  Part B Section H.8  H.8.1  H.8.2  H.8.3  H.8.4 | FRR being drafted |
| **Modification Proposals ‘Recommended for Approval ’ with System impacts** | | |
| N/A | N/A | N/A |
| **Modification Proposals ‘Recommended for Rejection’** | | |
| Mod\_02\_17 Unsecured Bad Energy Debt and Unsecured Bad Capacity Debt Timelines | T&SC Section 6.5  AP15 | 25 August 2017 |
| **RA Decision ‘Further Work Required’** | | |
| N/A | N/A | N/A |
| **RA Decision Approved Modifications with System Impacts** | | |
| Mod\_03\_17 Treatment of Transmission Losses for Trading Sites with Contiguous Autoproducers in I-SEM | I-SEM TSC F.4 | 17 October 2017 |
| **RA Decision Approved Modifications with no System Impacts** | | |
| Mod\_04**\_**17 Solar in the Single Electricity Market | Noted in proposal form | 17 October 2017 |
| Mod\_5\_17 Amendment to Part B Form of Authority for the purpose of removing the Restricted Authority provision | Appendix C – Form of Authority | 17 October 2017 |
| **RA Decision Rejected** | | |
| N/A | N/A | N/A |
| **AP Notifications** | | |
| N/A | N/A | N/A |
| **Withdrawal Notifications** | | |
| N/A | N/A | N/A |
| **Modification Proposal Extensions** | | |
| N/A | N/A | N/A |
| * **Meeting 79 – 25th January 2018 : Belfast** * **2018 Schedule to be issued shortly** | | |