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| **MODIFICATION PROPOSAL FORM** |
| **Proposer***(Company)* | **Date of receipt***(assigned by Secretariat)* | **Type of Proposal***(delete as appropriate)* | **Modification Proposal ID***(assigned by Secretariat)* |
| **IWEA** | **06 February 2019** | **Standard**  | **MOD\_04\_19** |
| **Contact Details for Modification Proposal Originator** |
| **Name** | **Telephone number** | **Email address** |
| **Andrew Burke** |  | **andrew.burke@turnkeydev.com** |
| **Modification Proposal Title** |
| **Running indicative settlement on all days** |
| **Documents affected***(delete as appropriate)* | **Section(s) Affected** | **Version number of T&SC or AP used in Drafting** |
| **T&SC Part B****Agreed Procedures Part B** | **T&SC Part B G.2.5.1****Agreed Procedure 15 Section 3.1****Agreed Procedure 16 Section 2.2** | **As published 7th April 2017** |
| **Explanation of Proposed Change***(mandatory by originator)* |
| Currently, indicative settlement is not run on non-working days, this modification seeks to have indicative settlement run on working and non-working days |
| **Legal Drafting Change***(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* |
| **T&SC G.2.5.1 (a)**Indicative Settlement Statements for Trading Payments and Trading Charges shall, in respect of each Settlement Day in a Billing Period, be produced and issued to all Participants in respect of their Units by 17:00 on Settlement Day + 1~~W~~D**T&SC Appendix L**Meter Data Providers shall provide the Meter Data listed in paragraph 3 to the Market Operator required for each Settlement Day by 14:00 on the first ~~Week~~ Day after the Settlement Day as described in Agreed Procedure 16 "Provision of Meter Data".**Agreed Procedure 6**

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| Energy Market Financial Publication - Indicative  | Daily, Settlement Day + One ~~working~~ day by HH:MM |

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| Energy Market Information Publication - Indicative | Daily, Settlement Day + One ~~working~~ day by HH:MM |

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| Metered Generation Information Publication - Indicative | Daily, Settlement Day + One ~~working~~ day by HH:MM |

**Agreed Procedure 15, 3.1**

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| Produce and issue indicative Settlement Statements and Settlement Reports for each Settlement Day.  | Before 17:00, 1 ~~W~~D after the end of each settlement |

**Agreed Procedure 16, 3.1**

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| Generation Metering for indicative Settlement | Each ~~Week~~ Day, by 14:00 on the next ~~Week~~ Day (D+1)  |

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| Aggregated Inter Jurisdiction Metering for indicative Settlement | Each ~~Week~~ Day, by 14:00 on the next ~~Week~~ Day (D+1)  |

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| Aggregated Demand Metering for indicative Settlement | Each ~~Week~~ Day, by 14:00 on the next ~~Week~~ Day (D+1)  |

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| **Modification Proposal Justification***(Clearly state the reason for the Modification)* |
| * Indicative settlement only takes place on working days; so, on a Monday, before the indicative settlement run, a unit selling into the ex-ante markets is deemed to have sold on Friday, Saturday and Sunday, but produced no power. This leads to a traded not delivered exposure when the 09:00 and 12:00 Credit reports are run
* Furthermore, when the 15:00 Credit report is run the unit will now have also sold into the Day Ahead auction at 11:00 on Monday exacerbating the situation
* As a result, the collateral requirement for units in the imbalance market is increased – especially over Easter / Christmas, when there can be 4 consecutive non-working days
* For an average imbalance price of €66.52/MWh (the average in I-SEM at the time of drafting this modification) the additional cost of these 4 extra days equates to €6,385.92/MW. Noting that 8266MW of de-rated capacity, *in addition to wind units* was successful in the 2019-20 T-1 Capacity Auction, this equates to almost €53 million of additional cost *before wind units are included*
 |
| **Code Objectives Furthered***(State the Code Objectives the Proposal furthers, see Section 1.3 of Part A and/or Section A.2.1.4 of Part B of the T&SC for Code Objectives)* |
| **A 2.1.4 c**To facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market**A 2.1.4 d**To promote competition in the Single Electricity Market**A 2.1.4 f**To ensure no undue discrimination between persons who are parties to the code**A 2.1.4 g**To promote the short term and long-term interest of consumers of electricity on the island of Ireland with respect to price, quality, reliability and security of supply electricity |
| **Implication of not implementing the Modification Proposal***(State the possible outcomes should the Modification Proposal not be implemented)* |
| The current situation provides a barrier to new entrant capacity and limits the ability of existing units to participate in the ex-ante markets. This mutes the ability of the ex-ante markets to provide a market signal and reduces their validity in providing an index price |
| **Working Group***(State if Working Group considered necessary to develop proposal)* | **Impacts***(Indicate the impacts on systems, resources, processes and/or procedures; also indicate impacts on any other Market Code such as Capacity Marker Code, Grid Code, Exchange Rules etc.)* |
| No | **Resources:** Currently this process is run on working days only, if adopted the same process will need to be run on non-working days |
| ***Please return this form to Secretariat by email to*** balancingmodifications@sem-o.com |

**Notes on completing Modification Proposal Form:**

1. **If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal Originator.**
2. **Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Modifications Committee.**
3. **Each Modification Proposal will include a draft text of the proposed Modification to the Code unless, if raising a Provisional Modification Proposal whereby legal drafting text is not imperative.**
4. **For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:**

**Agreed Procedure(s): means the detailed procedures to be followed by Parties in performing their obligations and functions under the Code as listed in either Part A or Part B Appendix D “List of Agreed Procedures”. The Proposer will need to specify whether the Agreed Procedure to modify refers to Part A, Part B or both.**

**T&SC / Code: means the Trading and Settlement Code for the Single Electricity Market. The Proposer will also need to specify whether all Part A, Part B, Part C of the Code or a subset of these, are affected by the proposed Modification;**

**Modification Proposal: means the proposal to modify the Code as set out in the attached form**

**Derivative Work: means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal**

**The terms “Market Operator”, “Modifications Committee” and “Regulatory Authorities” shall have the meanings assigned to those terms in the Code.**

**In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Section 2 of Part A or Chapter B of Part B of the Code (and Part A Agreed Procedure 12 or Part B Agreed Procedure 12) , which I have read and understand, I agree as follows:**

**1. I hereby grant a worldwide, perpetual, royalty-free, non-exclusive licence:**

* 1. **to the Market Operator and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;**
	2. **to the Regulatory Authorities, the Modifications Committee and each member of the Modifications Committee to amend, adapt, combine, abridge, expand or otherwise modify the Modification Proposal at their sole discretion for the purpose of developing the Modification Proposal in accordance with the Code;**
	3. **to the Market Operator and the Regulatory Authorities to incorporate the Modification Proposal into the Code;**

**1.4 to all Parties to the Code and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the Code or otherwise, for any purpose arising out of or in connection with the Code.**

**2. The licences set out in clause 1 shall equally apply to any Derivative Works.**

**3. I hereby waive in favour of the Parties to the Code and the Regulatory Authorities any and all moral rights I may have arising out of or in connection with the Modification Proposal or any Derivative Works.**

**4. I hereby warrant that, except where expressly indicated otherwise, I am the owner of the copyright and any other intellectual property and proprietary rights in the Modification Proposal and, where not the owner, I have the requisite permissions to grant the rights set out in this form.**

**5. I hereby acknowledge that the Modification Proposal may be rejected by the Modifications Committee and/or the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the Code.**