



Trading and Settlement Code Modifications Committee
c/o Esther Touhey
SEMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

02 May 2019

Our Ref: D/19/781

SEM Committee Decision for the Regulatory Authorities in relation to Mod_07_19 (Final Recommendation Report FRR_07_19 V2.0)

Dear Esther,

On 24 April 2019, the Modifications Committee submitted its Final Recommendation Report with regard to Modification Proposal Mod_07_19 "Correction to No Load Cost "and" vs "or"" in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (TSC).

The Modification Proposal Mod_07_19 was submitted to the Modifications Committee by SEMO on 27 March 2019.

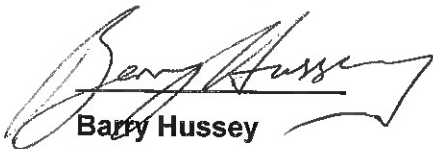
The Modification Proposal seeks to remedy an inaccuracy in the T&SC that has been discovered by SEMO while carrying out testing and assessments for existing defects and other proposed changes related to No Load Costs (CNL), which led to an incorrect system implementation of criteria feeding into the CNL calculation (sub-paragraph F.11.2.3 (a)).

Currently the conditions in F.11.2.3 (a) provisions (i) and (ii) are additive while they should be exclusive. Since the logical connector is "and" in between the conditions, both provisions must be true to allow No Load Cost to be set to zero, this was not the original intention of the design.

The Regulatory Authorities note that the proposer delivered a presentation on this modification at Modification Committee Meeting number 90 and subsequently provided a summary of the supporting data that was circulated at Extraordinary Meeting 91 via a conference call. SEMO highlighted an error in the legal drafting of the text of code which has been reflected in the systems. Members highlighted the urgency of getting the template for calculating differences and expressed concerns at the impact since Market Go-live and asked about the timelines for implementation. The Regulatory Authorities note that the members of the Modifications Committee voted on a unanimous basis to approve this modification.

Considering the above, and in accordance with Paragraph B.17.20 of the Code, the SEM Committee direct that a Modification, as set out in Appendix 1 of FRR_07_19, is implemented on a Settlement Day basis with effect from one Working Day after the date of this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Barry Hussey', written over a horizontal line.

Barry Hussey
Manager
Wholesale Electricity Markets

cc. Paul Bell, Manager, Utility Regulator