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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)* |
| **SEMO** | **5th October 2017** | | **Standard** | | **Mod\_10\_17** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Christopher Goodman** | |  | | **christopher.goodman@sem-o.com** | |
| **Modification Proposal Title** | | | | | |
| **Ex-Ante Quantities Deferral** | | | | | |
| **Documents affected**  *(delete as appropriate)* | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **T&SC Part B** | | **Section F**  **F.5.2.6**  **F.5.2.7**  **F.5.2.8**  **F.5.2.9**  **Section H.8**  **H.8.1**  **H.8.2**  **H.8.3**  **H.8.4** | | **Version 20** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| SEMO request that certain provisions of the Code in relation to the calculation of Ex-Ante Quantity (QEX) are deferred beyond Cutover Time.  For I-SEM Go-Live, the product types in the Day Ahead Market and Intra-Day Market will have a duration that is equal to:   * One hour for trades in the Day Ahead Market; and * 30 min for trades in the Intra-Day Market (including both Intra-Day Auctions and continuous intraday trades).   Currently, the delivery scope for the settlement system vendor in relation to QEX does not cover any product type duration that is less than the Imbalance Settlement Period duration. SEMO is therefore proposing that the relevant QEX calculation provisions (for product types shorter than the Imbalance Settlement Period duration) are deferred until the Day 2 Deployment Date.  Deferring functionality which cannot be included in the solution delivered for go-live requires the Day 2 Request (D2R) process to be followed. It has not been possible to follow the D2R process before raising this modification.  Raising this modification in parallel with the D2R process ensures that the progress of the associated T&SC changes will not be delayed unnecessarily. SEMO acknowledge that this is not the intended approach; however, we feel that it is appropriate in this instance. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| H.8 Calculation of ex-Ante Quantity  H.8.1 Until the date that is the Day 2 Deployment Date, paragraph F.5.2.6 shall be replaced with:  “intentionally blank”  H.8.2 Until the date that is the Day 2 Deployment Date, paragraph F.5.2.7 shall be replaced with:  “intentionally blank”  H.8.3 Until the date that is the Day 2 Deployment Date, paragraph F.5.2.8 shall be replaced with:  “intentionally blank”  H.8.4 Until the date that is the Day 2 Deployment Date, paragraph F.5.2.9 shall be replaced with:  “intentionally blank” | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| As the Aggregated Settlement Period Duration will be set equal to the Imbalance Settlement Period Duration at go-live, SEMO is proposing to defer the obligations for the calculation of Ex-Ante Quantity where the trade duration is less than the Imbalance Settlement Period Duration since this will be immaterial at I-SEM go-live. | | | | | |
| **Code Objectives Furthered**  *(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)* | | | | | |
| 1.3  *1. to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences;*  This Modification enables the Market Operator to focus on delivering material obligations for I-SEM go-live (i.e. those which result in material settlement outcomes for Participants). | | | | | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | | | | | |
| If this Modification is not implemented then there is a risk that the obligation to deliver functionality to calculate Ex-Ante Quantities where the Aggregated Settlement Period Duration is greater than the Imbalance Settlement Period Duration may result in increased delivery risk for more urgent and material items. | | | | | |
| **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 | | | None anticipated | | |
| ***Please return this form to Secretariat by email to*** [***modifications@sem-o.com***](mailto:modifications@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.**