

Single Electricity Market

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| Final REcommendation ReportMod\_28\_18 Ordering of pseudo dispatch instruction for qboa with the same instruction issue time and instruction effective time18 September 2018 |

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Document History

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| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 18 September 2018 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 21 September 2018 | Modifications Committee Secretariat | Issued to Regulatory Authorities for final decision |

Reference Documents

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| **Document Name** |
| [Trading and Settlement Code](http://www.sem-o.com/MarketDevelopment/MarketRules/TSC.docx) |
| [Modification Proposal](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/Mod_28_18.docx) |
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# MODIFICATIONS COMMITTEE RECOMMENDATION

## Recommended for approval – unanimous Vote

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| **Recommended for Approval by Unanimous Vote**  |
| Eamonn O’Donoghue | Interconnector member | Approved |
| Cormac Daly | Generator Member | Approved |
| Sinead O’Hare | Generator Member | Approved |
| Paraic Higgins | Generator Member | Approved |
| Jim Wynne | Supplier Member | Approved |
| Philip McDaid | Supplier Member | Approved |
| Kevin Hannafin | Generator Member | Approved |
| William Steele (Chair) | Supplier member | Approved |
| Robert McCarthy | DSU Alternate | Approved |

# Background

This Modification Proposal was raised by SEMO and was received by the Secretariat on 30 August 2018. This Modification Proposal was discussed and voted on at Meeting 86 on 6th September 2018.

As part of Certification activities, an issue was highlighted by which the Central Market Systems implement a different order of precedence for Pseudo Dispatch Instructions than is set out in the Trading and Settlement Code. The Certification review concludes that the precedence order implemented in the systems is “logical and likely to produce better outcomes”. As a result, the TSOs are proposing to update the TSC to align with the systems implementation. These changes will not result in a different outcome from applying the rules alone, but will reflect the order required in the systems to result in the same outcome as applying the rules, while aligning both the systems and the rules.

# PURPOSE OF PROPOSED MODIFICATION

**3A.) justification of Modification**

The proposal changes to the order of precedence for Pseudo Dispatch Instructions with the same Issue Time and Effective Time. There are a large number of permutations and combinations for examples of circumstances where such a situation can arise, including:

* When a Target Instruction Level is on a half hour boundary, where both a PMWO and a PISP Pseudo Dispatch Instruction would appear to be applicable;
* Where a unit which has been instructed to desynchronise and has their Minimum Off Time completed, but at that same minute they resubmit Commercial Offer Data and have an FPN profile which moves from zero to non-zero, where a PDES, a POFF and a PCOD Pseudo Dispatch Instruction would all appear to be applicable, and if this were to occur on a half hour boundary then a PISP Pseudo Dispatch Instruction would also appear to be applicable.

In such circumstances, the use of any of the Pseudo Dispatch Instructions will result in the closure of the current instruction profile back to the previous instruction profile or FPN, which is the intended outcome in the rules. Therefore the order of preference would not have a material impact on the calculation of results as implied through applying the Code rules alone.

However, the logic within the Central Market Systems relies on a particularly ordering to determine the correct Pseudo Dispatch Instructions that should be created in various scenarios. Having the correct Pseudo Dispatch Instruction code for the correct scenario is important because there is logic in the systems which process profiles and subsequent instructions differently depending on the code type of the Pseudo Dispatch Instruction. For example, if a Target Instruction Level for a MWOF Dispatch Instruction is reached on a half hour boundary, the Pseudo Dispatch Instruction related to MWOF (PMWO) should be created instead of the Pseudo Dispatch Instruction related to half hour boundaries (PISP), because the system logic creates the profile for the MWOF Dispatch Instruction by referencing the Target Instruction Level and Instruction Effective Time data for a PMWO Pseudo Dispatch Instruction. If the PISP Pseudo Dispatch Instruction were chosen instead, the system would have insufficient information to complete the profile for the MWOF Dispatch Instruction as it would be searching for the PMWO code and would not find it.

In summary, this modification will have no impact on the outcomes that would result from applying the rules. However, the rules describe the creation of profiles and pseudo dispatch instructions in a slightly different way to the exact way in which they are implemented in systems, which relies on information such as the code of the Pseudo Dispatch Instruction in order to correctly create other subsequent Pseudo Dispatch Instructions and in order to correctly determine the profiles to be used in the calculation of each QBOA. Therefore this change is required solely to align the rules with the process required by the systems to give the same outcome that is described in the rules.

**3B.) Impact of not Implementing a Solution**

The Trading and Settlement Code will not implement the correct order of precedence, which is already implemented in the Central Market Systems. Changing the system towards the current drafting of the Code would result in incorrect QBOA calculations, while the current implementation creates the correct QBOA calculations, just with a misalignment in this aspect of the Code.

**3c.) Impact on Code Objectiv****es**

This Modification furthers Code Objectives A.2.1.4(a) and A.2.1.4(e):

*(a) to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences;*

*(e) to provide transparency in the operation of the Single Electricity Market;*

# ASSESSMENT OF ALTERNATIVES

N/A

# impact on systems and resources

N/A

# Impact on other Codes/Documents

N/A

# MODIFICATION COMMITTEE VIEWS

## Meeting  **86 – 6 September 2018**

The proposer delivered a [presentation](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/MOD_28_18%20slides%20V2.pptx) summarising the requirement for this proposal as it was highlighted in certification. It was confirmed that this is an enduring modification and not an interim one. Currently the system is not aligned with the rules even though there is the same outcome, and changing the rules would not change the outcome as given by the rules, so this is solely to align what the rules say and what the systems are doing to give rise to same results. Supplier Member noted that this proposal was not a change to outcomes so that they were comfortable that it was appropriate in this instance to change the rules to align with the approach taken in the systems.

The committee agreed to move to a vote.

# Proposed Legal Drafting

As set out in Appendix 1

# LEGAL REVIEW

N/A

# IMPLEMENTATION TIMESCALE

It is proposed that this Modification is implemented as the Modifications Committee have recommended it for approval and on a Trading Day basis following receipt of the Regulatory Authorities decision.

# Appendix 1: Mod\_28\_18 Ordering of pseudo dispatch instructions for qboa with the same instruction issue time and instruction effective time

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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** | **30/08/18** | **Urgent** | **MOD\_28\_18** |
| **Contact Details for Modification Proposal Originator** |
| **Name** | **Telephone number** | **Email address** |
| **Martin Kerin** |  | **Martin.Kerin@eirgrid.com** |
| **Modification Proposal Title** |
| **Ordering of Pseudo Dispatch Instructions for QBOA with the same Instruction Issue Time and Instruction Effective Time** |
| **Documents affected***(delete as appropriate)* | **Section(s) Affected** | **Version number of T&SC or AP used in Drafting** |
| **Appendices Part B** | **Appendix O** |  |
| **Explanation of Proposed Change***(mandatory by originator)* |
| As part of Certification activities, an issue was highlighted by which the Central Market Systems implement a different order of precedence for Pseudo Dispatch Instructions than is set out in the Trading and Settlement Code. The Certification review concludes that the precedence order implemented in the systems is “logical and likely to produce better outcomes”. As a result, the TSOs are proposing to update the TSC to align with the systems implementation. These changes will not result in a different outcome from applying the rules alone, but will reflect the order required in the systems to result in the same outcome as applying the rules, while aligning both the systems and the rules. |
| **Legal Drafting Change***(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* |
| 20. If multiple Pseudo Dispatch Instructions are created with the same Instruction Effective Time and Instruction Issue Time, they shall be ordered based on the following sequence of Instruction Codes:* + - * 1. The Pseudo Dispatch Instruction corresponding to the latest Dispatch Instruction or Instruction Combination Code ordered in accordance with paragraph **Error! Reference source not found.**;
				2. PISP;
				3. POFF; and
				4. PCOD.
 |
| **Modification Proposal Justification***(Clearly state the reason for the Modification)* |
| The proposal changes to the order of precedence for Pseudo Dispatch Instructions with the same Issue Time and Effective Time. There are a large number of permutations and combinations for examples of circumstances where such a situation can arise, including:* When a Target Instruction Level is on a half hour boundary, where both a PMWO and a PISP Pseudo Dispatch Instruction would appear to be applicable;
* Where a unit which has been instructed to desynchronise and has their Minimum Off Time completed, but at that same minute they resubmit Commercial Offer Data and have an FPN profile which moves from zero to non-zero, where a PDES, a POFF and a PCOD Pseudo Dispatch Instruction would all appear to be applicable, and if this were to occur on a half hour boundary then a PISP Pseudo Dispatch Instruction would also appear to be applicable.

In such circumstances, the use of any of the Pseudo Dispatch Instructions will result in the closure of the current instruction profile back to the previous instruction profile or FPN, which is the intended outcome in the rules. Therefore the order of preference would not have a material impact on the calculation of results as implied through applying the Code rules alone.However, the logic within the Central Market Systems relies on a particularly ordering to determine the correct Pseudo Dispatch Instructions that should be created in various scenarios. Having the correct Pseudo Dispatch Instruction code for the correct scenario is important because there is logic in the systems which process profiles and subsequent instructions differently depending on the code type of the Pseudo Dispatch Instruction. For example, if a Target Instruction Level for a MWOF Dispatch Instruction is reached on a half hour boundary, the Pseudo Dispatch Instruction related to MWOF (PMWO) should be created instead of the Pseudo Dispatch Instruction related to half hour boundaries (PISP), because the system logic creates the profile for the MWOF Dispatch Instruction by referencing the Target Instruction Level and Instruction Effective Time data for a PMWO Pseudo Dispatch Instruction. If the PISP Pseudo Dispatch Instruction were chosen instead, the system would have insufficient information to complete the profile for the MWOF Dispatch Instruction as it would be searching for the PMWO code and would not find it.In summary, this modification will have no impact on the outcomes that would result from applying the rules. However, the rules describe the creation of profiles and pseudo dispatch instructions in a slightly different way to the exact way in which they are implemented in systems, which relies on information such as the code of the Pseudo Dispatch Instruction in order to correctly create other subsequent Pseudo Dispatch Instructions and in order to correctly determine the profiles to be used in the calculation of each QBOA. Therefore this change is required solely to align the rules with the process required by the systems to give the same outcome that is described in the rules. |
| **Code Objectives Furthered***(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)* |
| This Modification furthers Code Objectives A.2.1.4(a) and A.2.1.4(e):*(a) to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences;**(e) to provide transparency in the operation of the Single Electricity Market;* |
| **Implication of not implementing the Modification Proposal***(State the possible outcomes should the Modification Proposal not be implemented)* |
| The Trading and Settlement Code will not implement the correct order of precedence, which is already implemented in the Central Market Systems. Changing the system towards the current drafting of the Code would result in incorrect QBOA calculations, while the current implementation creates the correct QBOA calculations, just with a misalignment in this aspect of the Code. |
| **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 Market Code, Grid Code, Exchange Rules etc.)* |
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| ***Please return this form to Secretariat by email to*** ***modifications@sem-o.com*** |