|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **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** | | Standard | | **MOD\_30\_18** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| Michael Kelly | |  | | Michael.Kelly@Eirgrid.com | |
| **Modification Proposal Title** | | | | | |
| **Market Back Up Price Ammendment** | | | | | |
| **Documents affected**  *(delete as appropriate)* | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| T&SC Part B  T&SC Part B Glossary | | Part B Section E | | Version 20 | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| This proposed modification is adding a further backup to the steps outlined in Section E.5.1.3. This section currently outlines that in the event that if the market systems do not generate a Backup Imbalance Price that values from the most recent Imbalance Settlement Period should be used. Instead of reverting to most recent value the Market Operator are proposing that we publish the price associated with the Day-Ahead Trade Quantities for that Imbalance Settlement Period. If this price is not available then the price will revert to the values from the most recent Imbalance Settlement Period. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| E.5.1.3.  Where the Market Operator is unable to calculate the Market Back-Up Price in accordance with paragraphs E.5.1.1 and E.5.1.2 by the time it is required to publish the Imbalance Settlement Price in accordance with paragraphs E.2.2.2 and E.2.2.3, the Market Back-Up Price will be set equal the price associated with the Day-Ahead Trade Quantities for that Imbalance Settlement Period. Where this value is not available for the Imbalance Settlement Period, the most recent price associated with the Day-Ahead Trade Quantities available for that Imbalance Settlement Period from a previous Trading Day shall be used. | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| The Market Operator feels that it is prudent to add a further fall back process in the event that the backup price cannot be calculated by the system which may happen during an unscheduled outage of the system. This price would be published once for each trade date based on the prices from the Day-Ahead Trade Quantities and would be used in settlement if the backup price does not get produced. This process improves transparency as an Imbalance Prices will always be available to market participants instead of the value being set equal to the values from the most recent Imbalance Settlement Period. | | | | | |
| **Code Objectives Furthered**  *(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)* | | | | | |
| Implementation of this proposed modifications helps to provide further transparency in the operation of the Single Electricity Market by ensuring that an Imbalance Price associated with the Day-Ahead Trade Quantities is available in the event that a Backup Imbalance Price cannot be generated by the system during an outage. | | | | | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | | | | | |
| If this is not implemented then in the case that a Backup Imbalance Price cannot be generated by the system then the Imbalance Price will default to the values from the most recent Imbalance Settlement Period. i.e. if the Imbalance Price and Backup Price is not available from 21:00 until 23:30 then the Imbalance Price from 20:30 – 21:00 will apply between 20:20 and 23:30. | | | | | |
| **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.)* | | |
| Not required | | | The Market Operator needs to develop a day ahead process to publish the price associated with the Day-Ahead Trade Quantities for that Imbalance Settlement Period. This will be made available on the [www.sem-o.com](http://www.sem-o.com) website. The Market Operator will also make reasonable endeavours to publish a market message to participants in the event that the Imbalance Price has reverted to the price associated with the Day-Ahead Trade Quantities | | |
| ***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.**