



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

12 May 2022

Our Ref: F/24/556

SEM Committee Decision for the Regulatory Authorities in relation to Mod_01_22 (Final Recommendation FRR_01_22)

Dear Esther,

On 15 April 2022, the Modifications Committee submitted its Final Recommendation Report (FRR) with regard to Modification Proposal Mod_01_22 'Broaden the acceptable forms of Credit Cover from Cash and a Letter of Credit as is currently provided to include a Surety or Demand Guarantee' in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (TSC). The Modification Proposal Mod_01_22 was submitted to the Modifications Committee by Pinergy on 27 January 2022 and discussed and voted on at Meeting 109 on 10 February 2022.

The RAs understand that this Modification proposes to add a further form of acceptable collateral to the Trading and Settlement Code called a Surety or Demand Guarantee, in addition to the two acceptable forms of collateral currently provided for, namely Cash or an irrevocable Letter of Credit (LoC).

The RAs are of the view that this modification will expand the options available for providing collateral under the Trading and Settlement Code and thereby allow market participants to better manage their credit cover.

The RAs note that this Modification was recommended for approval on a majority basis by the Modifications Committee.

Considering the above, and in accordance with Paragraph B.17.20 of the Code, the SEM Committee directs that a Modification, as set out in Section 8 of FRR_01_22, is implemented on a Settlement Day basis with effect from two Working Days after this letter is issued.

Yours sincerely,

Grainne Black
Manager
Wholesale Electricity Markets
Commission for Regulation of Utilities

Leigh Greer
Manager
Wholesale Electricity Markets
Utility Regulator

(Sent by email with no signature)