



Single Electricity Market

FINAL RECOMMENDATION REPORT

MOD_02_20 HOUSEKEEPING FEB 2020

10 MARCH 2020

COPYRIGHT NOTICE

All rights reserved. This entire publication is subject to the laws of copyright. This publication may not be reproduced or transmitted in any form or by any means, electronic or manual, including photocopying without the prior written permission of EirGrid plc and SONI Limited.

DOCUMENT DISCLAIMER

Every care and precaution is taken to ensure the accuracy of the information provided herein but such information is provided without warranties express, implied or otherwise howsoever arising and EirGrid plc and SONI Limited to the fullest extent permitted by law shall not be liable for any inaccuracies, errors, omissions or misleading information contained herein.

Document History

Version	Date	Author	Comment
1.0	10 th March 2020	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0	19 th March 2020	Modifications Committee Secretariat	Issued to Regulatory Authorities for final decision

Reference Documents

Document Name
Trading and Settlement Code Proposal

Table of Contents

1. MODIFICATIONS COMMITTEE RECOMMENDATION 3

 RECOMMENDED FOR APPROVAL– UNANIMOUS VOTE 3

2. BACKGROUND 3

3. PURPOSE OF PROPOSED MODIFICATION..... 3

 3A.) JUSTIFICATION OF MODIFICATION 3

 3B.) IMPACT OF NOT IMPLEMENTING A SOLUTION 4

 3C.) IMPACT ON CODE OBJECTIVES 4

4. WORKING GROUP AND/OR CONSULTATION 4

5. IMPACT ON SYSTEMS AND RESOURCES..... 4

6. IMPACT ON OTHER CODES/DOCUMENTS 4

7. MODIFICATION COMMITTEE VIEWS..... 4

 MEETING 97 – 20 FEBRUARY 2020 4

8. PROPOSED LEGAL DRAFTING 4

9. LEGAL REVIEW 4

10. IMPLEMENTATION TIMESCALE..... 4

1 APPENDIX 1: MOD_02_20 HOUSEKEEPING FEB 2020 5

1. MODIFICATIONS COMMITTEE RECOMMENDATION

RECOMMENDED FOR APPROVAL– UNANIMOUS VOTE

Recommended for Approval by Unanimous Vote		
Rochelle Broderick	Supplier Alternate	Approve
Eamonn Boland	Supplier Alternate	Approve
Cormac Daly	Generator Member	Approve
Mark Phelan	Supplier Alternate	Approve
Sinead O'Hare	Generator Member	Approve
Ian Mullins	Supplier Member	Approve
Kevin Hannafin	Generator Member	Approve
Eoin Murphy	Assetless Alternate	Approve
Robert McCarthy	DSU Alternate	Approve
Paraic Higgins (Chair)	Generator Member	Approve

2. BACKGROUND

This Modification Proposal was raised by SEMO and was received by the Secretariat on the 6th February 2020. The proposal was raised and voted on at Meeting 97 on 20th February 2020.

This Modification Proposal noted that since the latest updates to V21 of the T&SC, a number of general housekeeping items were identified and are reported in this Modifications. These include:

- incorrect headings;
- Incorrect paragraph or subparagraph numbering or numbering style;
- Formatting and adjustments to terms upper/lower cases;
- Punctuation;
- Missing definition;
- Correction of subscripts;
- Correction of terminology and minor errors.
-

3. PURPOSE OF PROPOSED MODIFICATION

3A.) JUSTIFICATION OF MODIFICATION

While this Modification Proposal does not materially change any of the affected paragraphs, it is intended to ensure that there is clarity in the Code by correcting various drafting errors and ensuring that other affected paragraphs reflect the design intent.

3B.) IMPACT OF NOT IMPLEMENTING A SOLUTION

Not implementing this Modification could lead to inconsistency in the T&SC and potentially misinterpretation.

If this Proposal is not implemented then these errors and inconsistencies will remain, resulting in diminished accuracy and transparency within the Code.

3C.) IMPACT ON CODE OBJECTIVES

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

Any error however minor may lead to incorrect interpretation and confusion in the reading of the Code's provision. Minor typos could also hamper electronic searches.

4. WORKING GROUP AND/OR CONSULTATION

N/A

5. IMPACT ON SYSTEMS AND RESOURCES

N/A

6. IMPACT ON OTHER CODES/DOCUMENTS

N/A

7. MODIFICATION COMMITTEE VIEWS

MEETING 97 – 20 FEBRUARY 2020

The Proposer provided a summary of the changes included in this Proposal confirming that all items were pure housekeeping. These changes were minor corrections to errors in the Code. An explanation was given in particular to the addition of a new definition for Strike Price which was included due to queries received. Strike Price was previously defined within the Glossary's Variables only but it adds to the clarity of the Code to have a separate definition in the main Glossary with reference to the relevant section, in line with how other prices are defined. There were no further questions and the Panel proceeded to a vote.

8. PROPOSED LEGAL DRAFTING

As set out in Appendix 1.

9. LEGAL REVIEW

N/A

10. IMPLEMENTATION TIMESCALE

It is proposed that this Modification will be implemented as the Modifications Committee have Recommended it for Approval and on a Settlement day following receipt of the RA Decision.

1 APPENDIX 1: MOD_02_20 HOUSEKEEPING FEB 2020

MODIFICATION PROPOSAL FORM			
Proposer <i>(Company)</i>	Date of receipt <i>(assigned by Secretariat)</i>	Type of Proposal <i>(delete as appropriate)</i>	Modification Proposal ID <i>(assigned by Secretariat)</i>
SEMO	06/02/20	Standard	Mod_02_20
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Katia Compagnoni		Katia.compagnoni@sem-o.com	
Modification Proposal Title			
Housekeeping Feb 2020			
Documents affected <i>(delete as appropriate)</i>	Section(s) Affected	Version number of T&SC or AP used in Drafting	
T&SC Part B/Part C Part B Appendices Glossary Part B Agreed Procedures Part B	Part B B.12.1.3, F.2.1.8, G.2.10.2, G.2.10.8, H.7, H.8, H11 Part B Glossary, Part B Appendix O.17, Part B AP09 2.11.2 and AP12 3.7, Part C (note)	V21	
Explanation of Proposed Change <i>(mandatory by originator)</i>			
<p>Since the latest updates to V21 of the T&SC, a number of general housekeeping items were identified and are reported in this Modifications. These include:</p> <ul style="list-style-type: none"> - incorrect headings; - Incorrect paragraph or subparagraph numbering or numbering style; - Formatting and adjustments to terms upper/lower cases; - Punctuation; - Missing definition; - Correction of subscripts; - Correction of terminology and minor errors. 			
Legal Drafting Change <i>(Clearly show proposed code change using tracked changes, if proposer fails to identify changes, please indicate best estimate of potential changes)</i>			

Changes to Part B Main body of the T&SC:

- B.12.1.3 The Market Operator shall specify in each Deregistration Consent Order the Credit Cover which the relevant Party is required, in accordance with paragraphs G.9.1.942(d) and G.9.1.102(e), to maintain in respect of any Units being Deregistered pursuant to the Deregistration Consent Order.
- F.2.1.8 A Scheduling Agent is the entity or entities with the task of providing details of ~~e~~Ex-Ante Market Contracted Quantities from market participants to TSOs, or where applicable third parties, in accordance with Article 111 of the EU Guideline on Electricity Transmission System Operation.
- G.2.10.2 Where a SEM NEMO considers that a Contracted Quantity is invalid, then the SEM NEMO may notify the Market Operator where it believes there is a risk the costs (or part thereof) incurred in relation to the invalid Contracted Quantity will not be recovered under the Market Rules of the Ex-Ante Market. Any notification so given will specify:
- the Unit to which the invalid Contracted Quantity relates (in this section G.2.10 called the “**Specified Unit**”);
 - the applicable invalid Contracted Quantity;
 - the Imbalance Settlement Period to which the invalid Contracted Quantity relates;
 - the steps that the SEM NEMO (or any Delegate (as defined in paragraph B.8.1.4(a) of the Code) has taken or will take to recover the costs incurred in relation to the invalid Contracted Quantity and the mechanisms that will be used (whether by the SEM NEMO or any Delegate) to seek to recover those costs under the Market Rules of the Ex-Ante Market; and
 - the reason the SEM NEMO believes there is a risk that the costs (or part thereof) incurred in relation to the invalid Contracted Quantity will not be recovered under the Market Rules of the Ex-Ante Market.
- G.2.10.8 Where a SEM NEMO has provided a notice under paragraph G.2.10.2 to the Market Operator, that SEM NEMO shall take all reasonable steps expressly available to it under the Market Rules of the Ex-Ante Market or otherwise to recover the Reassigned Amount from the person whose trade in the Ex-Ante Market gave rise (in whole or in part) to the invalid Contracted Quantity.

~~H.7 CALCULATION OF REQUIRED CREDIT COVER FOR THE UNDEFINED~~

EXPOSURE PERIOD CONTENT OF SETTLEMENT STATEMENTS AND SETTLEMENT REPORTS

H.7.1.1 Until the Date that is the Mod_11_17 Deployment Date, Appendix G “Settlement Statements, Settlement Reports and Settlement Documents” paragraph 14 shall be replaced with the following :

“14. The Market Operator shall ensure that a Settlement Statement and Settlement Reports for Trading Payments and Trading Charges issued to a Participant for its Generator Units provides to Participants, when considered in conjunction with other supplementary reports made available to the Participant under the same timeframes and over the same Communication Channels, inter alia, for the relevant Generator Unit u in each Imbalance Settlement Period γ for the relevant Settlement Day in Billing Period b , values of:

- (a) Total Daily Amounts for the Participant (Settlement Day value);
- (b)

H.8 CALCULATION OF EX-ANTE QUANTITY

H.8.1.1 Until the date that is the Mod_10_17 Deployment Date, paragraph F.5.2.6 shall be replaced with:

“Intentionally blank”

H.8.1.2 Until the date that is the Mod_10_17 Deployment Date, paragraph F.5.2.7 shall be replaced with:

“Intentionally blank”

H.8.1.3 Until the date that is the Mod_10_17 Deployment Date, paragraph F.5.2.8 shall be replaced with:

“Intentionally blank”

H.8.1.4 Until the date that is the Mod_10_17 Deployment Date, paragraph F.5.2.9 shall be replaced with:

“Intentionally blank”

H.11 TIMING OF SUSPENSION

H.11.1.1 Until the date that is the Mod_16XX_18 Deployment Date, Section B, paragraph B.18.4.1 shall be replaced with:

“B.14.8.1 The Supplier Suspension Delay Period and the Generator Suspension Delay Period in relation to each Jurisdiction shall be 7 days”.

Changes to Appendices Part B of the T&SC:

Appendix O “Instruction Profiling Calculation”

DISPATCH INSTRUCTION AND PSEUDO DISPATCH INSTRUCTION VALIDATION

17. Dispatch Instructions for a Settlement Day available to the Market Operator at the time of applying the process for the calculation of the Imbalance Price, or the time of applying the process for the calculation of settlement quantities, as applicable, shall be sorted by Generator Unit, Instruction Effective Time, Instruction Issue Time and the MW value of the Target Instruction Level (in order of increasing quantity).- Unless otherwise specified, Instruction Issue Time for Pseudo Dispatch Instructions shall be set equal to the Instruction Effective Time. The rules for the validation and merging of Dispatch Instructions shall be applied in the following order: paragraph **Error! Reference source not found.**, paragraph **Error! Reference source not found.** first sentence relating to MWOFF Instruction Codes only, paragraph **Error! Reference source not found.**, paragraph **Error! Reference source not found.**, paragraph **Error! Reference source not found.** first sentence relating to all Instruction Codes, paragraph **Error! Reference source not found.** second sentence, paragraph **Error! Reference source not found.**, paragraph **Error! Reference source not found.**

Changes to Part B Glossary

Annual Stop-Loss Limit Factor	means the multiplier (%) used to establish the annual stop-loss limit for Non-Performance Difference Charges from a Capacity Market Unit approved by the Regulatory Authorities in accordance with the Capacity Market Code.
Billing Period Stop-Loss Limit Factor	means the multiplier (%) used to establish the billing period stop-loss limit for Non-Performance Difference Charges from a Capacity Market Unit determined by the Regulatory Authorities in accordance with the Capacity Market Code.
<u>Strike Price</u>	<u>means the price determined in accordance with section F.16 used for the calculation of Difference Charges and Difference Payments.</u>

Variable	FAVRA _{ap} ^g	Forecast Amount Available for Settlement Reallocation Agreement	The Forecast Amount Available for Settlement Reallocation Agreement, a, for a Participant, p, in Settlement Risk Period r. an Undefined Exposure Period, g	€
Variable	QDIFF _{PPIMB} _{vγ}	Imbalance Difference Quantity	The Imbalance Difference Quantity for a Supplier Unit, v, in an Imbalance Settlement Period, γ, representing the portion of their Metered Quantity which was not met by Day-ahead Difference Quantities or Intraday Trade Difference Quantities, which are eligible for Imbalance Difference Payments.	MWh
Variable	QUNDELOTOL _{uy}	Outside Tolerance Undelivered Quantity	The Outside Tolerance Undelivered Quantity for a Generator Unit, u, in an Imbalance Settlement Period, γ, representing the difference in value between the unit's Metered Quantity and Dispatch Quantity which is outside of the Tolerance for Under Generation ion or the Tolerance for Over Generation, as applicable, in that Period.	MWh

Changes to Part C of the T&SC:

NOTE:

The SEM Trading and Settlement Code consists of three parts A, B and C.

This is Part C of the SEM Trading and Settlement Code (**Part C of the Code**). This Part C of the Code consists of these Sections 1 to 14, ~~and the~~ Part C Glossary ~~and Appendices A and B~~.

This Part C of the Code sets out certain transitional and savings provisions to manage the implementation of, and transition to, the new trading and settlement arrangements under Part B of the Code. Part C of the Code has priority over the other Parts of the Code.

Changes to Agreed Procedures Part B of the T&SC:

Part B Agreed Procedure 09 “Management of Credit Cover and Credit Default”

2.11.2 Adjusted Participant

An Adjusted Participant is a Participant whose Generation or Demand configuration has changed (i.e. increased or decreased) significantly from historical patterns (defined as the time-weighted average of Metered Demand quantities or Total Daily Amounts for Suppliers and Generators respectively across all of the four most recent Billing Periods). This could be due to, for example, acquisition of new assets, winning significant new customers in the retail market or a significant Generator planned outage. In such cases, statistical analysis of historical exposures may not be a valid indicator of future performance and the process for New Participants described at paragraph 2.11.1 above will be applied.

Participants who are expecting the time-weighted average with respect to its Supplier and/or Generator Units of ~~M~~metered Demand quantities and/or Total Daily Amounts across all of the four most recent Billing Periods compared with forecasted averaged ~~M~~metered Demand quantities and/or Total Daily Amounts with respect to its Supplier and/or Generator Units, in any of the next four Billing Periods, to increase or decrease by more in absolute terms than the Credit Cover Adjustment Trigger, are required to notify the Market Operator. In these cases the Market Operator shall use a Participant’s forecast Credit Assessment Volume to calculate the Participant’s Undefined Potential Exposure.

Part B Agreed Procedure 12 “Modifications Committee Operation”

3.7 Annual Nominating Participant Election

5	Votes are cast as follows:	Within 4 weeks	Email
	(a) Nominating Generation Participants cast one vote per Participant in relation to Generation Participant Members vacancy;	of expiry of all members terms	
	(b) Nominating Supply Participants cast one vote per Participant in relation to Supply	(ballot paper due date)	

Participant Members vacancy;

- (c) **Nominating Demand Side Participants cast one vote per Participant in relation to Demand Side Participant Members vacancy; and**
- (d) **Nominating Assetless Participants cast one vote per Participant in relation to Assetless Participant Members vacancy.**

Voting rules are as follows:

- 1-(e) In the event of only 1 candidate nomination for the relevant Participant Member position, this candidate will be automatically deemed the successful candidate in an uncontested election;**
- 2-(f) In the event of 2 or more candidate nominations for 1 relevant Participant Member position, voters have one vote only, and election is by a simple majority. The successful candidate is the candidate with the highest number of votes. In the event of a tie, another round of voting may occur; and**
- 3-(g) If 2 or more candidates are put forward for nomination for multiple Participant member positions, each voter is asked to rank the candidates in order of preference. The candidates with the least amount of highest preference votes will be eliminated, and the candidates with the majority of highest preference votes will be elected.**

Formatted: Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.63 cm + Tab after: 1.27 cm + Indent at: 1.27 cm, Tab stops: Not at 1.59 cm

.....

8	Count and file votes. In the event of tie or inconclusive election results, consult RA's for final determination.	2 WD after ballot paper due date or as soon as possible thereafter	Email
---	---	--	-------

Also Appendix 2 of AP12 contains an old version of the 'Modification Proposal Form' which is to be replaced by the update form available on the web.

<p>Modification Proposal Justification <i>(Clearly state the reason for the Modification)</i></p>	
<p>While this proposal does not materially change any of the affected paragraphs, it is intended to ensure that there is clarity in the Code by correcting various drafting errors and ensuring that other affected paragraphs reflect the design intent.</p>	
<p>Code Objectives Furthered <i>(State the Code Objectives the Proposal furthers, see Section 1.3 of Part A and/or Section A.2.1.4 of Part B of the T&SC for Code Objectives)</i></p>	
<p>(e) to provide transparency in the operation of the Single Electricity Market; Any error however minor may lead to incorrect interpretation and confusion in the reading of the Code’s provision. Minor typos could also hamper electronic searches.</p>	
<p>Implication of not implementing the Modification Proposal <i>(State the possible outcomes should the Modification Proposal not be implemented)</i></p>	
<p>Not implementing this modification could lead to inconsistency in the T&SC and potentially misinterpretation. If this proposal is not implemented then these errors and inconsistencies will remain, resulting in diminished accuracy and transparency within the Code.</p>	
<p>Working Group <i>(State if Working Group considered necessary to develop proposal)</i></p>	<p>Impacts <i>(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.)</i></p>
<p>N/A</p>	<p>N/A</p>
<p>Please return this form to Secretariat by email to balancingmodifications@sem-o.com</p>	