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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** | **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**  *(delete as appropriate)* | | **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**  *(mandatory by originator)* | | | | | |
| 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. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| ***Changes to Part B Main body of the T&SC:***   1. * + 1. The Market Operator shall specify in each Deregistration Consent Order the Credit Cover which the relevant Party is required, in accordance with paragraphs G.9.1.9(d) and G.9.1.10, to maintain in respect of any Units being Deregistered pursuant to the Deregistration Consent Order.        2. A Scheduling Agent is the entity or entities with the task of providing details of 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.        3. 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:           1. the Unit to which the invalid Contracted Quantity relates (in this section G.2.10 called the “**Specified Unit**”);           2. the applicable invalid Contracted Quantity;           3. the Imbalance Settlement Period to which the invalid Contracted Quantity relates;           4. 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           5. 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.        4. 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 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:   * + - * 1. Total Daily Amounts for the Participant (Settlement Day value);         2. .....   1. **Calculation of Ex-Ante Quantity**      + 1. Until the date that is the Mod\_10\_17 Deployment Date, paragraph F.5.2.6 shall be replaced with:   “Intentionally blank”   * + - 1. Until the date that is the Mod\_10\_17 Deployment Date, paragraph F.5.2.7 shall be replaced with:   “Intentionally blank”   * + - 1. Until the date that is the Mod\_10\_17 Deployment Date, paragraph F.5.2.8 shall be replaced with:   “Intentionally blank”   * + - 1. Until the date that is the Mod\_10\_17 Deployment Date, paragraph F.5.2.9 shall be replaced with:   “Intentionally blank”   * 1. Timing of suspension      + 1. Until the date that is the Mod\_16\_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”**   * 1. Dispatch Instruction and Pseudo Dispatch Instruction Validation      + 1. 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 18, paragraph 19 first sentence relating to MWOF Instruction Codes only, paragraph 21, paragraph 22, paragraph 19 first sentence relating to all Instruction Codes, paragraph 19 second sentence, paragraph 32(d), paragraph 23.   ***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. |  |  |  | | --- | --- | | **Strike Price** | means the price determined in accordance with section F.16 used for the calculation of Difference Charges and Difference Payments. |  |  |  |  |  |  | | --- | --- | --- | --- | --- | | Variable | FAVRAapr | 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. | € |  |  |  |  |  |  | | --- | --- | --- | --- | --- | | Variable | QDIFFPIMBvγ | 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 | QUNDELOTOLuγ | 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 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, 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”**   * + 1. 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 Metered Demand quantities and/or Total Daily Amounts across all of the four most recent Billing Periods compared with forecasted averaged 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**   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | |  | Votes are cast as follows:   1. Nominating Generation Participants cast one vote per Participant in relation to Generation Participant Members vacancy; 2. Nominating Supply Participants cast one vote per Participant in relation to Supply Participant Members vacancy; 3. Nominating Demand Side Participants cast one vote per Participant in relation to Demand Side Participant Members vacancy; and 4. Nominating Assetless Participants cast one vote per Participant in relation to Assetless Participant Members vacancy.   Voting rules are as follows:   1. 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. 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. 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. | Within 4 weeks of expiry of all members terms (ballot paper due date) | Email | Participants | Secretariat |   **.....**   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | 8 | Count and file votes. In the event of tie or inconclusive election results, consult RAs for final determination. | 2 WD after ballot paper due date or as soon as possible thereafter | Email | Secretariat | Participants |   **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.** | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| 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. | | | | | |
| **Code Objectives Furthered**  *(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)* | | | | | |
| * + - * 1. 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. | | | | | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | | | | | |
| 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. | | | | | |
| **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.)* | | |
| N/A | | | N/A | | |
| ***Please return this form to Secretariat by email to*** [balancingmodifications@sem-o.com](mailto:balancingmodifications@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.**