

Single Electricity Market

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| Final REcommendation Report  Mod\_11\_21 Generator, Supplier and Renewable Seat  22 July 2021 |

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Document History

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| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 29th July 2021 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 1.1 | 5th August 2021 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 5th August 2021 | Modifications Committee Secretariat | Issued to Regulatory Authorities for final decision |

Reference Documents

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| **Document Name** |
| [Trading and Settlement Code](https://www.sem-o.com/rules-and-modifications/balancing-market-modifications/market-rules/TSC-Part-B.docx) |
| [Modification Proposal](https://www.sem-o.com/documents/market-modifications/Mod_11_21/Mod_11_21GeneratorSupplierandRenewableSeats.pdf) |
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# MODIFICATIONS COMMITTEE RECOMMENDATION

## Recommended for approval– Unanimous Vote

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| **Recommended for Approval by Unanimous Vote** | | |
| Eoin Murphy | Assetless Alternate | Approve |
| Ian Mullins | Supplier Member | Approve |
| Stacy Feldmann | Generator Member | Approve |
| Paraic Higgins (Chair) | Generator Member | Approve |
| Robert McCarthy | DSU Member | Approve |
| Sean McParland | Generator Alternate | Approve |
| Cormac Daly | Generator Member | Approve |
| Bryan Hennessy | Supplier Member | Approve |
| Philip Carson | Supplier Member | Approve |
| Andrew Burke | Supplier Member | Approve |

# Background

This Modification Proposal was raised by CRU and UR and was received by the Secretariat on 14th April 2021. The proposal was discussed at Meeting 104 on 28th April 2021 and voted on at Meeting 105 on 17th June 2021.

Mod\_14\_19 was raised to introduce a new seat on the Modifications Committee for Interconnector Owners. As part of the discussion of this Modification, the RAs proposed a wider review of the Composition of the Modifications Committee, voting rules and Agreed Procedures. This was followed by two Working Groups, Industry Calls and a number of Modification Proposals.

At the Industry Call on 26 March, a number of changes were proposed based on the feedback received from the Committee. This Modification includes proposed legal drafting for two of the changes discussed;

1. The addition of a new Supplier Seat
2. The addition of a new Renewable Generator Seat. This would allow Parties with at least one unit registered to nominate and vote for this seat. For the avoidance of doubt, Generation Participant Seats would continue to represent all Participants which have registered one or more Generator Units other than Interconnector Error Units, Interconnector Residual Capacity Units, Demand Side Units or Assetless Units.

It is proposed that only Renewable Generation Participants would be able to nominate and vote for this new seat. This change involves legal drafting changes to Section B.17 of the Code, the Glossary and AP12.

A temporary Modification has also been raised by the Regulatory Authorities concerning a new Flexible Seat on the Modifications Committee.

As part of the proposed changes the quorum requirements under Agreed Procedure 12 and it is proposed not to make any change to the number and composition of Members required form a Quorum.

# PURPOSE OF PROPOSED MODIFICATION

**3A.) justification of Modification**

This Modification aims to ensure that there is representation for renewable generators on the Modifications Committee through the creation of a dedicated renewable seat within the Generation Participant category, while allowing renewable generators to nominate and vote for other Generation Participants. In making this change, the number of Supplier and Generator Seats has been increased by one to reflect the interest of parties in having a seat on the Modifications Committee and ensure that the balance between Suppliers and Generators is maintained.

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

If this Modification is not implemented, the current composition of the Modifications Committee may limit wider participation and may not reflect the views gathered through a number of discussions of this topic.

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

* + - * 1. to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;

This change is intended to allow for wider participation in the Modifications Committee by interested market participants.

# Working Group and/or Consultation

N/A

# impact on systems and resources

N/A

# Impact on other Codes/Documents

N/A

# MODIFICATION COMMITTEE VIEWS

## Meeting 104 – 28 April 2021

The Proposer gave a background on this Modification noting that it stemmed from the same discussion that led to Mod\_10\_21 ‘Temporary Flexible Seat’. It was advised that this Modification would be raised as an enduring solution with an intention that Participant with a Renewable Generator would be able to be represented as part of the Generator’s allocation.

A Supplier Member advised that the same controls requested in Mod\_10\_21 would need to be in place here also. It was suggested that there was a risk that one entity could take over and there is not an opportunity for extra representation for some of the Committee. SEMO advised that protection against inappropriate use of the Membership role is already included in the T&SC in B.17.3.2 which states that a Member has to represent the interest of the parties that appointed him/her and asked what other form of protection could be added other than maybe sending nominations to the Regulators for review in order to provide that extra control.

A Generator Member gave support for the Modification and did not see any conflict occurring as a separate group was not being created. There was further support given for the Modification with an Assetless Member noting that the Committee needed to be pragmatic in its approach and it was not feasible to exclude utilities. The concern was raised that there could be multiple seats for the same commercial interests but as long as each unit type was represented there would be a good balance and it was up to all Members to keep that in check.

The RAs also explained that Nominations happen at party registration level you would have to choose one position or other so there would not be any conflict or duplication. Secretariat advised that this would depend on how the entities were structured. Some choose to separate different side of their business in different Parties other to have that separation at Participant level and that will affect how they can nominate for seats.

A discussion ensued regarding the voting of renewable generators and whether they would have the right to vote for both Renewable and standard Generation Participants, or whether that distinction only applies on the year when the Renewable seat is up for election and on not on the alternate year. A Generator Member requested clarity on the voting process in this case. An example was given of a wind unit as it is seen as a Generator also could it vote for a generator seat and a renewable seat? SEMO suggested issuing a number of different scenarios that could occur to facilitate submission of comments from Member.

The Members also formally confirmed their support for the elections commencing after the Modifications Meeting in August.

## Meeting 105 – 17 June 2021

The Proposer gave a background on this Modification noting that it had been discussed over a number of meetings with an agreement to add a new Renewable and Supplier seat. The Committee was reminded of the spreadsheet which SEMO had circulated providing different Nominating and voting options and asking the question if the new Renewable seat should be allowed to nominate for both Renewable and Generator parties.

The Proposer advised that it would be easier to track and more transparent if the Renewable Generators only could vote for the Renewable seat. It was noted that there would only be one change required in the glossary section and the justification of the Modification would be updated to remove the second sentence allowing Renewables to choose which party they nominated.

The implementation timeline was also brought up as a point to discuss as this Modification had been active for some time and there was urgency to get this through in time for the next elections.

A discussion ensued around flexibility of the new Renewable seat to vote for a Generator seat also, in accordance with either option 5 and 6 of SEMO’s spreadsheet. A number of Members believed more flexibility should be allowed. SEMO advised that currently DSU and Assetless are also Generator Units but don’t have the flexibility to vote for Generator seats so this would be a break from the normal process. It was also noted that if renewables can only vote for renewables it would be more transparent and cut out strategic manoeuvres in the voting process.

The Secretariat agreed with SEMO’s points highlighting that if flexibility is given it would be the same as adding another Generator seat, without the need of a new definition. It also made no difference from an administration point of view which solution would be preferred by the Panel. An increase in the administrative workload was acknowledged due to the increase of the Members to the Panel over the years and an increase in the elections rounds needed. A Supplier Member echoed these points advising that if flexibility was given to this seat there would not be clarity on which party was being represented, notwithstanding that an elected Member is mandated to represent the category he/she was voted into.

A Generator Member expressed concerns that if Generators were being broken up by type it would open the door to the need of having many other representatives for each individual type and it would dilute the voice of Generators. Further comments were provided on the need of a separate seat if there was interchanging voting rights indicating that standard generators could represent both types. If the need for a separate seat has been recognized then it is because there are individual needs that would not be covered under the current arrangements and therefore it would be more appropriate to consider them separately for both nominating and voting.

The RAs suggested that they had no set preference for one option or the other and if a resolution could not be found then this Modification could be raised as a temporary Modification for the first 2 year period. There was approval amongst some Members for this but following further discussion it was agreed that the Renewable seat could be appointed by the RAs similarly to the new Flexible Generator Member and the additional Supplier seat would be voted on as normal. This would be a temporary solution for the first 2 year period to allow for further review of the process.

The Proposer was in agreement that the Final Recommendation Report would be updated to reflect this.

# Proposed Legal Drafting

As agreed in Modifications Meeting 105 the version to be implemented will be based on the below revised form as opposed to the one in Appendix 1. This is to take into account, in a timely manner, all comments raised at the meeting and to allow for the election process to begin promptly.

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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)* |
| **CRU and UR** |  | | **Standard** | | **Mod\_11\_21** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Gina Kelly** | | **01 4000 800** | | **gkelly@cru.ie** | |
| **Modification Proposal Title** | | | | | |
| Generator, Supplier and Renewable Seat | | | | | |
| **Documents affected**  *(delete as appropriate)* | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **T&SC Part B**  **Glossary Part B**  **Agreed Procedures Part B** | | **B.17.3**  **Glossary Part B**  **Agreed Procedure 12** | | **3 November 2020** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| Mod\_14\_19 was originally raised to introduce a new seat on the Modifications Committee for Interconnector Owners. As part of the discussion of this Modification, the RAs proposed a wider review of the Composition of the Modifications Committee, voting rules and Agreed Procedures. This was followed by two Working Groups, Industry Calls and a number of Modification Proposals.  At the Industry Call on 26 March 2021, a number of changes were proposed based on the feedback received from the Committee. This Modification was discussed and voted on at Meeting 105 on 17 June 2021 and has been updated to reflect revisions agreed at that meeting. The effect of these changes from Meeting 105 is to increase the number of members on the panel to 5 Supplier Members and 5 Generator Members, with one Renewable Generator Participant to be appointed within the Generator Member seat allocation by the RAs under B.17.3.4.  This Modification includes proposed legal drafting for two of the changes discussed;   1. The addition of a new Supplier Seat 2. The addition of a new ~~Renewable~~ Generator Seat, with a Renewable Generator Participant to be appointed to this seat by the RAs using the provision under B.17.3.4 for an initial term of two years. Following this period, the seat will be reviewed with a view to enduring changes being proposed. This would allow Parties with at least one Renewable Generator Participant registered, defined in the legal drafting below to nominate ~~and vote~~ for this seat. ~~For the avoidance of doubt, Generation Participant Seats, would continue to represent all Participants which have registered one or more Generator Units other than Interconnector Error Units, Interconnector Residual Capacity Units, Demand Side Units or Assetless Units.~~   It is proposed that only Renewable Generation Participants would be able to nominate ~~and vote~~ for this new seat, with the voting procedure for this seat following this initial two-year term to be assessed further. This change involves legal drafting changes to Section B.17 of the Code~~,~~ and the Glossary ~~and AP12~~.  A temporary Modification has also been raised by the Regulatory Authorities concerning a new Flexible Seat on the Modifications Committee.  ~~As part of the proposed changes the quorum requirements under Agreed Procedure 12 and~~ It is proposed not to make any change to the number and composition of Members required to form a Quorum under Agreed Procedure 12. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| **B.17.3 Constitution of the Modifications Committee and Voting Rules**  B.17.3.1 The Modifications Committee shall consist of:   * + - * 1. one member appointed by the Commission and one member appointed by UREGNI;         2. no more than 17 further members appointed as follows, such persons to include at all times:   at least five ~~three~~ members nominated by or elected in respect of Generation Participants, including one Renewable Generation Participant Member;  at least five ~~three~~ members nominated by or elected in respect of Supply Participants;  one member appointed by the Market Operator;  one member appointed by each of the System Operators;  one member appointed by each of the Meter Data Providers (to the extent not already represented);  a member nominated by or elected in respect of Demand Side Participants; and  a member nominated by or elected in respect of Assetless Participants.  B.17.3.4 If the Regulatory Authorities determine at any time that any particular type of party is not adequately represented on the Modifications Committee, the Regulatory Authorities may seek nominations from relevant persons and appoint a person from such nominations, or otherwise to represent that type of person. Such a person shall be a voting member of the Modifications Committee and shall be appointed for an initial term of two years. A member appointed in accordance with this paragraph shall not be deemed to be a representative of Generation Participants, Supply Participants, Demand Side Participants, ~~or~~ Assetless Participants or Renewable Generation Participants (as the case may be) for the purposes of paragraph B.17.3.1 or B.17.3.5.  B.17.3.5 The Regulatory Authorities may from time to time stipulate the minimum or maximum representation for Supply Participants, Generation Participants, Demand Side Participants, ~~or~~ Assetless Participants or Renewable Generation Participants.  B.17.7.3 At least 8 weeks prior to the expiry of any person’s membership of the Modifications Committee, the existing Modifications Committee shall:   1. where that person is a member appointed by the Commission, UREGNI, the Market Operator, a System Operator or a Meter Data Provider, notify the relevant party that is required to appoint a new member and new alternate member; 2. where that person is a member appointed in respect of Generation Participants, Supply Participants, Demand Side Participants or, Assetless Participants, request the Secretariat to arrange an election in accordance with paragraph B.17.7.4; and 3. where that person is a member appointed by the Regulatory Authorities in accordance with paragraph B.17.3.4, inform the Regulatory Authorities of the pending expiry of the member’s term.   B.17.7.4 Prior to the expiry of membership of any Nominating Participant member, or where a member is removed, resigns or retires from the Modifications Committee and the Modification Committee agrees that an election is required, the Secretariat shall arrange a Nominating Participant Election to fill that vacancy in accordance with such of the following steps as are necessary:   * + - * 1. relevant Nominating Participants shall be requested to propose new nominees and alternates for election;         2. each Nominating Participant shall be entitled to vote to elect members from the Participant nominees in accordance with paragraphs B.17.7.5 to B.17.7.10;         3. Nominating Supply Participants shall be entitled to vote to elect a member from the persons nominated by them;         4. Nominating Generation Participants shall be entitled to vote to elect a member from the persons nominated by them;         5. Nominating Demand Side Participants shall be entitled to vote to elect a member from the persons nominated by them;         6. Nominating Assetless Participants shall be entitled to vote to elect a member from the persons nominated by them;      * + - * 1. the number of nominees with the most votes from Supply Participants but not exceeding five nominees in number, shall be appointed to the Modifications Committee to replace any retiring, terminated or removed Supply Participant member;         2. the number of nominees with the most votes from Generation Participants, but not exceeding five nominees in number, shall be appointed to replace any retiring, terminated or removed Generation Participant member;         3. the number of nominees with the most votes from Demand Side Participants, but not exceeding one nominee in number, shall be appointed to replace any retiring, terminated or removed Demand Side Participant member;         4. the number of nominees with the most votes from Assetless Participants, but not exceeding one nominee in number, shall be appointed to replace any retiring, terminated or removed Assetless Participant member;      * + - * 1. the constitution of the Modifications Committee shall, unless agreed otherwise by the Regulatory Authorities, continue to comply with section B.17.3; and         2. each member shall be appointed for a maximum term of two years, provided that, where an ad-hoc election has taken place to fill a vacancy, because a member has been removed, resigned or retired from the committee, the newly elected member shall be appointed in principle for a maximum term of two years, and this term will expire in accordance with the annual election date which is closest to the term expiry date.   B.17.7.7 The Modifications Committee may at any time stipulate that an outgoing member who is a nominee of Generation Participants, Supply Participants, Demand Side Participantsor, Assetless Participants must be replaced in any election with a nominee of Generation Participants, Supply Participants Demand Side Participants or, Assetless Participant respectively in order to preserve the requisite constitution of the Modifications Committee in accordance with paragraph B.17.3.1 or as may be stipulated from time to time by the Regulatory Authorities pursuant to paragraph B.17.3.3 or B.17.3.5.  B.17.8.1 Any member may be removed during his or her term by the majority decision of the Modifications Committee (subject to veto by the Regulatory Authorities) if that person:  (a) ceases to be in a position to represent those Supply Participants, Generation Participants, Demand Side Participants or Assetless Participants from which the member was nominated;  (b) becomes incapable of performing the functions of a member of the Modifications Committee;  (c) has been, or is, in the reasonable opinion of the majority of the other members of the Modifications Committee, engaged in conduct which is inconsistent with or detrimental to being a member of the Modifications Committee; or  (d) fails to discharge the obligations of a member of the Modifications Committee.  **Glossary**  Introduction of a new definition for a Renewable Generation Participant.   |  |  | | --- | --- | | **Renewable Generation Participant** | means a Participant which has registered one or more Generator Units specified as a Wind Power Unit or Solar Power Unit under Section B.7.2.2. This distinction from a Generation Participant is for the purpose of the Modifications Committee.  For an initial term of two years, the Regulatory Authorities will seek nominations from relevant persons for this Participant in order to appoint a voting member of the Modifications Committee under Section B.17.3.4. |  |  |  | | --- | --- | | **Nominating Renewable Generation Participant** | Means, for the purposes of Section B.17 in relation to the Modifications  Committee, a Party which is a Participant which has registered one or  more Generator Units specified as a Wind Power Unit or Solar Power Unit under Section B.7.2.2 and is allowed to nominate for Renewable Generation Participant nominees to the Modifications Committee | | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| This Modification aims to ensure that there is representation for renewable generators on the Modifications Committee through the creation of a Renewable Generation Participant definition in the Glossary, which will allow the Regulatory Authorities to appoint a voting member to the Modifications Committee under Section B.17.3.4 of the Code.  Arrangements for further changes to allow renewable generators to nominate and vote will be assessed during this period.  In making this change, the number of Supplier Seats has been increased by one to reflect the interest of parties in having a seat on the Modifications Committee and ensure that the balance between Suppliers and Generators is maintained once an additional Renewable Generation Participant is appointed. | | | | | |
| **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 facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;   This change is intended to allow for wider participation in the Modifications Committee by interested market participants. | | | | | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | | | | | |
| If this Modification is not implemented, the current composition of the Modifications Committee may limit wider participation and may not reflect the views gathered through a number of discussions of this topic. | | | | | |
| **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.)* | | |
|  | | | N/A | | |
| ***Please return this form to Secretariat by email to*** [balancingmodifications@sem-o.com](mailto:balancingmodifications@sem-o.com) | | | | | |

# LEGAL REVIEW

N/A

# IMPLEMENTATION TIMESCALE

It is recommended that this Modification should be made effective from the first Settlement Date after publication of SEMC decision.

# Appendix1: Mod\_11\_21 Generator, Supplier and Renewable Seat

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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)* |
| **CRU and UR** | **14th April 2021** | | **Standard** | | **Mod\_11\_21** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Gina Kelly** | |  | | **gkelly@cru.ie** | |
| **Modification Proposal Title** | | | | | |
|  | | | | | |
| **Documents affected**  *(delete as appropriate)* | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **T&SC Part B**  **Glossary Part B**  **Agreed Procedures Part B** | | **B.17.3**  **Glossary Part B**  **Agreed Procedure 12** | | **3 November 2020** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| Mod\_14\_19 was raised to introduce a new seat on the Modifications Committee for Interconnector Owners. As part of the discussion of this Modification, the RAs proposed a wider review of the Composition of the Modifications Committee, voting rules and Agreed Procedures. This was followed by two Working Groups, Industry Calls and a number of Modification Proposals.  At the Industry Call on 26 March, a number of changes were proposed based on the feedback received from the Committee. This Modification includes proposed legal drafting for two of the changes discussed;   1. The addition of a new Supplier Seat 2. The addition of a new Renewable Generator Seat. This would allow Parties with at least one unit registered to nominate and vote for this seat. For the avoidance of doubt, Generation Participant Seats would continue to represent all Participants which have registered one or more Generator Units other than Interconnector Error Units, Interconnector Residual Capacity Units, Demand Side Units or Assetless Units.   It is proposed that only Renewable Generation Participants would be able to nominate and vote for this new seat. This change involves legal drafting changes to Section B.17 of the Code, the Glossary and AP12.  A temporary Modification has also been raised by the Regulatory Authorities concerning a new Flexible Seat on the Modifications Committee.  As part of the proposed changes the quorum requirements under Agreed Procedure 12 and it is proposed not to make any change to the number and composition of Members required form a Quorum. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| B.17.3 Constitution of the Modifications Committee and Voting Rules  B.17.3.1 The Modifications Committee shall consist of:   * + - * 1. one member appointed by the Commission and one member appointed by UREGNI;         2. no more than 17 further members appointed as follows, such persons to include at all times:   at least four ~~three~~ members nominated by or elected in respect of Generation Participants, including one Renewable Generation Participant;  at least four ~~three~~ members nominated by or elected in respect of Supply Participants;  one member appointed by the Market Operator;  one member appointed by each of the System Operators;  one member appointed by each of the Meter Data Providers (to the extent not already represented);  a member nominated by or elected in respect of Demand Side Participants; and  a member nominated by or elected in respect of Assetless Participants.  B.17.3.4 If the Regulatory Authorities determine at any time that any particular type of party is not adequately represented on the Modifications Committee, the Regulatory Authorities may seek nominations from relevant persons and appoint a person from such nominations, or otherwise to represent that type of person. Such a person shall be a voting member of the Modifications Committee and shall be appointed for an initial term of two years. A member appointed in accordance with this paragraph shall not be deemed to be a representative of Generation Participants, Supply Participants, Demand Side Participants ~~or,~~ Assetless Participants or Renewable Generation Participants (as the case may be) for the purposes of paragraph B.17.3.1 or B.17.3.5.  B.17.3.5 The Regulatory Authorities may from time to time stipulate the minimum or maximum representation for Supply Participants, Generation Participants, Demand Side Participants or, Assetless Participants or Renewable Generation Participants.  B.17.7.3 At least 8 weeks prior to the expiry of any person’s membership of the Modifications Committee, the existing Modifications Committee shall:   1. where that person is a member appointed by the Commission, UREGNI, the Market Operator, a System Operator or a Meter Data Provider, notify the relevant party that is required to appoint a new member and new alternate member; 2. where that person is a member appointed in respect of Generation Participants, Supply Participants, Demand Side Participants ~~or~~, Assetless Participants or Renewable Generation Participants, request the Secretariat to arrange an election in accordance with paragraph B.17.7.4; and 3. where that person is a member appointed by the Regulatory Authorities in accordance with paragraph B.17.3.4, inform the Regulatory Authorities of the pending expiry of the member’s term.   B.17.7.4 Prior to the expiry of membership of any Nominating Participant member, or where a member is removed, resigns or retires from the Modifications Committee and the Modification Committee agrees that an election is required, the Secretariat shall arrange a Nominating Participant Election to fill that vacancy in accordance with such of the following steps as are necessary:   * + - * 1. relevant Nominating Participants shall be requested to propose new nominees and alternates for election;         2. each Nominating Participant shall be entitled to vote to elect members from the Participant nominees in accordance with paragraphs B.17.7.5 to B.17.7.10;         3. Nominating Supply Participants shall be entitled to vote to elect a member from the persons nominated by them;         4. Nominating Generation Participants shall be entitled to vote to elect a member from the persons nominated by them;         5. Nominating Demand Side Participants shall be entitled to vote to elect a member from the persons nominated by them;         6. Nominating Assetless Participants shall be entitled to vote to elect a member from the persons nominated by them;         7. Nominating Renewable Generation Participants shall be entitled to vote to elect a member from the persons nominated by them;         8. the number of nominees with the most votes from Supply Participants but not exceeding five nominees in number, shall be appointed to the Modifications Committee to replace any retiring, terminated or removed Supply Participant member;         9. the number of nominees with the most votes from Generation Participants, but not exceeding five nominees in number, shall be appointed to replace any retiring, terminated or removed Generation Participant member;         10. the number of nominees with the most votes from Demand Side Participants, but not exceeding one nominee in number, shall be appointed to replace any retiring, terminated or removed Demand Side Participant member;         11. the number of nominees with the most votes from Assetless Participants, but not exceeding one nominee in number, shall be appointed to replace any retiring, terminated or removed Assetless Participant member;         12. the number of nominees with the most votes from Renewable Generation Participants, but not exceeding one nominee in number, shall be appointed to replace any retiring, terminated or removed Renewable Generation Participant member.         13. the constitution of the Modifications Committee shall, unless agreed otherwise by the Regulatory Authorities, continue to comply with section B.17.3; and         14. each member shall be appointed for a maximum term of two years, provided that, where an ad-hoc election has taken place to fill a vacancy, because a member has been removed, resigned or retired from the committee, the newly elected member shall be appointed in principle for a maximum term of two years, and this term will expire in accordance with the annual election date which is closest to the term expiry date.   B.17.7.7 The Modifications Committee may at any time stipulate that an outgoing member who is a nominee of Generation Participants, Supply Participants, Demand Side Participants~~or~~, Assetless Participants or Renewable Generation Participants must be replaced in any election with a nominee of Generation Participants, Supply Participants Demand Side Participants ~~or~~, Assetless Participant or Renewable Generation Participants respectively in order to preserve the requisite constitution of the Modifications Committee in accordance with paragraph B.17.3.1 or as may be stipulated from time to time by the Regulatory Authorities pursuant to paragraph B.17.3.3 or B.17.3.5.  B.17.8.1 Any member may be removed during his or her term by the majority decision of the Modifications Committee (subject to veto by the Regulatory Authorities) if that person:  (a) ceases to be in a position to represent those Supply Participants, Generation Participants, Demand Side Participants ~~or~~, Assetless Participants or Renewable Generation Participants from which the member was nominated;  (b) becomes incapable of performing the functions of a member of the Modifications Committee;  (c) has been, or is, in the reasonable opinion of the majority of the other members of the Modifications Committee, engaged in conduct which is inconsistent with or detrimental to being a member of the Modifications Committee; or  (d) fails to discharge the obligations of a member of the Modifications Committee.  **Glossary**  Introduction of a new definition for a Renewable Generation Participant.   |  |  | | --- | --- | | Renewable Generation Participant | means a Participant which has registered one or more Generator Units specified as a Wind Power Unit or Solar Power Unit under Section B.7.2.2. This distinction from a Generation Participant is for the purpose of Modifications Committee |  |  |  | | --- | --- | | Nominating Generation and Renewable Generation Participants | means, for the purposes of section B.17 in relation to the Modifications Committee, a Party which is a Generation Participant or a Renewable Generation Participant and is allowed to nominate and vote for Generation Participant or Renewable Generation Participant nominees to the Modifications Committee.  Only a Renewable Generation Participant may nominate and vote for the Renewable Generation seat on the Modifications Committee. |   **Agreed Procedure 12**  **Section 3.7 Annual Nominating Participant Election**  5 Notwithstanding Step 2, a Participant with multiple categories can cast a vote for each category in any given election. Votes are cast as follows:   1. Nominating Generation Participants cast one vote per Participant in relation to Generation Participant Members vacancy; 2. Nominating Renewable Generation Participants cast one vote per Participant in relation to Renewable Generation Participant Members vacancy; 3. Nominating Supply Participants cast one vote per Participant in relation to Supply Participant Members vacancy; 4. Nominating Demand Side Participants cast one vote per Participant in relation to Demand Side Participant Members vacancy; and 5. Nominating Assetless Participants cast one vote per Participant in relation to Assetless Participant Members vacancy.   **Agreed Procedure 12 Appendix 1:**  **Definitions**   |  |  | | --- | --- | | **Ad-hoc Nominating Participant Election** | means an ad-hoc election for the replacement of members appointed in respect of Generation Participants, Supply Participants, Demand Side Participants ~~or~~, Assetless Participants or Renewable Generation Participants who have resigned, retired or been removed outside of the annual election timeframe. | | **Annual Nominating Participant Election** | means an election for the replacement of members appointed in respect of Generation Participants, Supply Participants, Demand Side Participants ~~or~~, Assetless Participants or Renewable Generation Participants whose terms are due to expire on the annual membership expiry date. | | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| This Modification aims to ensure that there is representation for renewable generators on the Modifications Committee through the creation of a dedicated renewable seat within the Generation Participant category, while allowing renewable generators to nominate and vote for other Generation Participants. In making this change, the number of Supplier and Generator Seats have been increased by one to reflect the interest of parties in having a seat on the Modifications Committee and ensure that the balance between Suppliers and Generators is maintained. | | | | | |
| **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 facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;   This change is intended to allow for wider participation in the Modifications Committee by interested market participants. | | | | | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | | | | | |
| If this Modification is not implemented, the current composition of the Modifications Committee may limit wider participation and may not reflect the views gathered through a number of discussions of this topic. | | | | | |
| **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.)* | | |
|  | | | N/A | | |
| ***Please return this form to Secretariat by email to*** [balancingmodifications@sem-o.com](mailto:balancingmodifications@sem-o.com) | | | | | |