

Single Electricity Market

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| Final REcommendation Report  Mod\_12\_21 Clarification of text regarding the Effective Date of a Modification  20 July 2021 |

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Document History

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| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 7th July 2021 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 20th July 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_12_21/Mod_12_21ClarificationoftextregardingtheEffectiveDateofaModification.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 & UR and was received by the Secretariat on 14th April 2021. The proposal was not discussed at Meeting 104 on 28th April 2021 due to lack of time. It was discussed and voted on at Meeting 105 on 17th June 2021.

This modification seeks to clarify Section B.17.20.4 of the T&SC regarding the date that modification decisions of the Regulatory Authorities become effective. This modification sets out to change the T&SC to state more explicitly the existing provision that the RAs may specify that a modification shall become effective on the first available date following the delivery of the required system changes.

In advance of becoming effective in the T&SC, modifications often require system changes to be delivered by the Market Operator. These system changes typically occur on a biannual basis. However, the specific release date of these system changes may not yet be known at the time a modification is approved. In such circumstances it may be inappropriate for the Regulatory Authorities to specify a particular calendar date for the modification to become effective.

This modification proposes to amend the T&SC in order to make clear that the RAs may specify in their decision on a modification that that modification shall become effective on the first available date following the delivery of the required system changes.

# PURPOSE OF PROPOSED MODIFICATION

**3A.) justification of Modification**

Modifications often require system changes. The Market Operator is responsible for making and releasing such system changes. The system changes must be integrated into the Market Operator work plan and are subject to changes in schedule. Therefore, in the case of modifications which require system changes, it is impractical and often impossible for the Regulatory Authorities to precisely specify a particular calendar date for such modifications to become effective. This current modification is being proposed in order to clarify the modification approval and implementation procedure in the T&SC in this respect and to prevent confusion amongst market participants.

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

If the modification proposal is not implemented, there may be a lack of clarity about the ability of the RAs to specify that a modification shall become effective on the first available date following the delivery of the required system changes, where such changes are required.

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

1.3

1. to facilitate the efficient, economic and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner;

This modification will facilitate the efficient and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner by increasing clarity in the modification approval process and avoiding market disruptions.

1. to provide transparency in the operation of the Single Electricity Market;

This modification will clarify the modification approval and implementation process and increase transparency in the operation of the Single Electricity Market by providing participants with better information about the date on which modifications will become effective.

# 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

Regrettably time did not allow for discussion of this Proposal. This Proposal will be added to the agenda for the next meeting taking place on Thursday, 17th June, 2021. Secretariat offered apologies and has requested that Members pro-actively engage with the Proposer in advance of the next meeting to convey questions and comments on this Proposal.

## Meeting 105 – 17 June 2021

The Proposer provided a brief background on this Modification advising that the rational for raising this was linked to the judicial challenge on Mod\_10\_19 concerning the specification of an implementation date for a Modification. It was advised that there would be no further decision on Mod\_10\_19 until the conclusion of a number of consultation processes related to EBGL, Articles 12 and 13 of the Electricity Regulation and Articles 3, 6 and 10 of the Electricity Regulation.

Assurance was given that Mod\_12\_21 was trying to ensure clarity in the Code and was aiming to target Modifications with system impact changes.

A question was raised in relation to the current wording and if it should refer to working days. The Proposer advised that this was not needed as the effective date of a system change might be dictated by many factors such as release implementation, legislation that requires it on a set date (as it happened on Mod\_17\_19 on DSU state aid effective from the 1st of October) or practical consideration such as trading period during regular working hours.

# Proposed Legal Drafting

As per legal drafting section of Appendix 1.

# LEGAL REVIEW

N/A

# IMPLEMENTATION TIMESCALE

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

# Appendix1: Mod\_12\_21 Clarification of Text regarding the Effective date of a Modification

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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 & UR** | **14th April 2021** | | **Standard** | | **Mod\_12\_21** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Conall Heussaff** | |  | | **cheussaff@cru.ie** | |
| **Modification Proposal Title** | | | | | |
| **Clarification of text regarding the Effective Date of a Modification** | | | | | |
| **Documents affected**  *(delete as appropriate)* | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **T&SC Part B** | | **T&SC B.17.20.4** | | **T&SC V21** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| This modification seeks to clarify Section B.17.20.4 of the T&SC regarding the date that modification decisions of the Regulatory Authorities become effective. This modification sets out to change the T&SC to state more explicitly the existing provision that the RAs may specify that a modification shall become effective on the first available date following the delivery of the required system changes.  In advance of becoming effective in the T&SC, modifications often require system changes to be delivered by the Market Operator. These system changes typically occur on a biannual basis. However, the specific release date of these system changes may not yet be known at the time a modification is approved. In such circumstances it may be inappropriate for the Regulatory Authorities to specify a particular calendar date for the modification to become effective.  This modification proposes to amend the T&SC in order to make clear that the RAs may specify in their decision on a modification that that modification shall become effective on the first available date following the delivery of the required system changes. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| 2. 17. 20. 1. If approved by the Regulatory Authorities, the Modification shall become effective two Working Days after the date of the decision of the Regulatory Authorities or such other date as may be specified by the Regulatory Authorities in its decision, including the first available date following the delivery of any required system changes by the Market Operator. | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| Modifications often require system changes. The Market Operator is responsible for making and releasing such system changes. The system changes must be integrated into the Market Operator work plan and are subject to changes in schedule. Therefore, in the case of modifications which require system changes, it is impractical and often impossible for the Regulatory Authorities to precisely specify a particular calendar date for such modifications to become effective. This current modification is being proposed in order to clarify the modification approval and implementation procedure in the T&SC in this respect and to prevent confusion amongst market participants. | | | | | |
| **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)* | | | | | |
| 1.3   1. to facilitate the efficient, economic and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner;   This modification will facilitate the efficient and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner by increasing clarity in the modification approval process and avoiding market disruptions.   1. to provide transparency in the operation of the Single Electricity Market;   This modification will clarify the modification approval and implementation process and increase transparency in the operation of the Single Electricity Market by providing participants with better information about the date on which modifications will become effective. | | | | | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | | | | | |
| If the modification proposal is not implemented, there may be a lack of clarity about the ability of the RAs to specify that a modification shall become effective on the first available date following the delivery of the required system changes, where such changes are required. | | | | | |
| **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.)* | | |
|  | | | No system changes | | |
| ***Please return this form to Secretariat by email to*** [balancingmodifications@sem-o.com](mailto:balancingmodifications@sem-o.com) | | | | | |