

MODIFICATION PROPOSAL FORM			
Proposer (Company)	Date of receipt (assigned by Secretariat)	Type of Proposal (delete as appropriate)	Modification Proposal ID (assigned by Secretariat)
SEMO	7th October 2021	Standard	Mod_17_21
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Katia Compagnoni		<a href="mailto:balancingmodifications@sem-o.com">balancingmodifications@sem-o.com</a>	
Modification Proposal Title			
Second Housekeeping 2021			
Documents affected (delete as appropriate)	Section(s) Affected	Version number of T&SC or AP used in Drafting	
Part B T&SC Glossary Part B	Part B T&SC sections F.18.7, G.12.4.2, Part B Glossary	V23 baseline + Mod_05_21	
Explanation of Proposed Change (mandatory by originator)			
<p>Housekeeping Modifications are regularly raised by the Market Operator for minor adjustments to the Code that have no impact to the actual interpretation of the Legal Drafting or correction of unambiguous minor errors.</p> <p>In this Modification we are proposing the following corrections:</p> <ul style="list-style-type: none"> <li>- In V23, paragraph F.18.7.1 was incorrectly deleted affecting the subsequent numbering in that section and the relevant cross-references; this has now been reinstated as 'intentionally blank' as per standard code updates;</li> <li>- An incorrect cross-reference was found in G.12.4.2 following Mod_05_21; this is now amended;</li> <li>- Following up from the approval of Mod_05_21, references to Mod_09_18 Deployment Date has been updated in the Glossary;</li> </ul> <p>Please note that due to delay in publication of V.24, the approved text from Mod_05_21 has been considered in addition to the latest published baseline (v23) in order to proceed with these corrections at the next available Code update.</p>			
Legal Drafting Change (Clearly show proposed code change using <b>tracked</b> changes, if proposer fails to identify changes, please indicate best estimate of potential changes)			
<b><u>From Part B T&amp;SC:</u></b>			
<b>F.18.7 Calculation of Non-performance Difference Quantities and Charges</b>			
<b><u>F.18.7.1 Intentionally blank</u></b>			
<p><del>F.18.7.1</del><b>F.18.7.2</b> The Market Operator shall calculate the Non-performance Difference Quantity (<math>QDIFFCNP_{\Omega\gamma}</math>) for each Capacity Market Unit, <math>\Omega</math>, that is an Interconnector, in each Imbalance Settlement Period, <math>\gamma</math>, as follows:</p> <p>If <math>QMLF_{t\gamma} \geq 0</math>, then</p> $QDIFFCNP_{\Omega\gamma} = \text{Max}(\text{Min}(QCOB_{\Omega\gamma} - (qCMAMAXILF_{t\gamma} \times DISP), QCOB_{\Omega\gamma} - QMLF_{t\gamma}), 0)$			

else

$$QDIFFCNP_{\Omega\gamma} = 0$$

where:

- (e)  $QCOB_{\Omega\gamma}$  is the Obligated Capacity Quantity for Capacity Market Unit,  $\Omega$ , in Imbalance Settlement Period,  $\gamma$ ;
- (f)  $qCMAMAXILF_{I\gamma}$  is the Loss-Adjusted Maximum Import Capacity Market Availability Quantity for Interconnector,  $I$ , which comprises the Capacity Market Unit,  $\Omega$ , in Imbalance Settlement Period,  $\gamma$ , submitted in accordance with section D.6.5;
- (g)  $DISP$  is the Imbalance Settlement Period Duration; and
- (h)  $QMLF_{I\gamma}$  is the Loss-Adjusted Metered Quantity for Interconnector,  $I$ , in Imbalance Settlement Period,  $\gamma$ .

F.18.7.2F.18.7.3 For all cases not covered by paragraphs F.18.7.1, the Market Operator shall calculate the Non-performance Difference Quantity ( $QDIFFCNP_{\Omega\gamma}$ ) for each Capacity Market Unit,  $\Omega$ , which does not represent an Autoproducer Unit, in each Imbalance Settlement Period,  $\gamma$ , as follows:

$$QDIFFCNP_{\Omega\gamma} = \text{Max}(QCOB_{\Omega\gamma} - QDIFFTRACK_{\Omega\gamma}, 0)$$

where:

- (e)  $QCOB_{\Omega\gamma}$  is the Obligated Capacity Quantity for Capacity Market Unit,  $\Omega$ , in Imbalance Settlement Period,  $\gamma$ ; and
- (f)  $QDIFFTRACK_{\Omega\gamma}$  is the final Tracked Difference Quantity for Capacity Market Unit,  $\Omega$ , in Imbalance Settlement Period,  $\gamma$ .

F.18.7.3F.18.7.4 The Market Operator shall calculate the Non-performance Difference Charge ( $CDIFFCNP_{\Omega\gamma}$ ) for each Capacity Market Unit,  $\Omega$ , which does not represent an Autoproducer Unit, in each Imbalance Settlement Period,  $\gamma$ , as follows:

$$CDIFFCNP1_{\Omega\gamma} = QDIFFCNP_{\Omega\gamma} \times \text{Min}(0, PSTR_m - PIMB_\gamma)$$

$$CDIFFCNP2_{\Omega\gamma} = \text{Max}(CDIFFCNP1_{\Omega\gamma}, \text{Min}(-CSLLB_{\Omega b} - CDIFFCNP_{\Omega(\gamma-1)}, 0))$$

$$CDIFFCNP_{\Omega\gamma} = \text{Max}(CDIFFCNP2_{\Omega\gamma}, \text{Min}(-CSLLA_{\Omega b} - CDIFFCNP_{\Omega(\gamma-1)}, 0))$$

where:

- (e)  $PSTR_m$  is the Strike Price for Month,  $m$ , which contains Imbalance Settlement Period,  $\gamma$ ;
- (f)  $PIMB_\gamma$  is the Imbalance Settlement Price in Imbalance Settlement Period,  $\gamma$ , calculated in accordance with Chapter E (Imbalance Pricing);

- (g)  $CDIFFCNPA_{\Omega(\gamma-1)}$  is the Annual Cumulative Non-performance Difference Charge for Capacity Market Unit,  $\Omega$ , in the previous Imbalance Settlement Period,  $(\gamma - 1)$ ;
- (h)  $CDIFFCNPB_{\Omega(\gamma-1)}$  is the Billing Period Cumulative Non-performance Difference Charge for Capacity Market Unit,  $\Omega$ , in the previous Imbalance Settlement Period,  $(\gamma - 1)$ ;
- (i)  $CSSLB_{\Omega b}$  is the Billing Period Stop-Loss Limit for Capacity Market Unit,  $\Omega$ , in Billing Period,  $b$ , determined in accordance with in section **Error! Reference source not found.**;
- (j)  $CSSLA_{\Omega b}$  is the Annual Stop-Loss Limit for Capacity Market Unit,  $\Omega$ , in Billing Period,  $b$ , determined in accordance with in section **Error! Reference source not found.**;
- (k)  $CDIFFCNP1_{\Omega\gamma}$  and  $CDIFFCNP2_{\Omega\gamma}$  are iterative variables required to calculate the final value for  $CDIFFCNP_{\Omega\gamma}$ ; and
- (l)  $QDIFFCNP_{\Omega\gamma}$  is the Non-performance Difference Quantity for Capacity Market Unit,  $\Omega$ , in Imbalance Settlement Period,  $\gamma$ .

F.18.7.4F.18.7.5 The Market Operator shall calculate the Billing Period Cumulative Non-performance Difference Charge ( $CDIFFCNPB_{\Omega\gamma}$ ) to be zero in the last Imbalance Settlement Period,  $\gamma$ , of each Billing Period,  $b$ , and the Annual Cumulative Non-performance Difference Charge ( $CDIFFCNPA_{\Omega\gamma}$ ) to be zero in the last Imbalance Settlement Period,  $\gamma$ , of each Capacity Year,  $\gamma$ , for each Capacity Market Unit,  $\Omega$ , which does not represent an Autoproducer Unit, and in each other Imbalance Settlement Period,  $\gamma$ , in the Capacity Year,  $\gamma$ , as follows:

$$CDIFFCNPB_{\Omega\gamma} = CDIFFCNPB_{\Omega(\gamma-1)} + CDIFFCNP_{\Omega\gamma}$$

$$CDIFFCNPA_{\Omega\gamma} = CDIFFCNPA_{\Omega(\gamma-1)} + CDIFFCNP_{\Omega\gamma}$$

where:

- (e)  $CDIFFCNPA_{\Omega(\gamma-1)}$  is the Annual Cumulative Non-performance Difference Charge for Capacity Market Unit,  $\Omega$ , in the previous Imbalance Settlement Period,  $(\gamma - 1)$ ;
- (f)  $CDIFFCNPB_{\Omega(\gamma-1)}$  is the Billing Period Cumulative Non-performance Difference Charge for Capacity Market Unit,  $\Omega$ , in the previous Imbalance Settlement Period,  $(\gamma - 1)$ ; and
- (g)  $CDIFFCNP_{\Omega\gamma}$  is the Non-performance Difference Charge for Capacity Market Unit,  $\Omega$ , in Imbalance Settlement Period,  $\gamma$ .

F.18.7.5F.18.7.6 For all cases not covered by paragraphs **Error! Reference source not found.**, F.18.7.1 and F.18.7.3, the Market Operator shall calculate the Non-performance Difference Quantity ( $QDIFFCNP_{s\gamma}$ ) for each Trading Site,  $s$ , which is associated with a Capacity Market Unit,  $\Omega$ , which represents an Autoproducer Unit, in each Imbalance Settlement Period,  $\gamma$ , as follows:

$$QDIFFCNP_{s\gamma} = \text{Max}(QCOB_{s\gamma} - QDIFFTRACK_{s\gamma}, 0)$$

where:

- (e)  $QCOB_{sy}$  is the Obligated Capacity Quantity for Trading Site,  $s$ , in Imbalance Settlement Period,  $\gamma$ ; and
- (f)  $QDIFFTRACK_{sy}$  is the final Tracked Difference Quantity for Trading Site,  $s$ , in Imbalance Settlement Period,  $\gamma$ .

F.18.7.6F.18.7.7 The Market Operator shall calculate the Non-performance Difference Charge ( $CDIFFCNP_{sy}$ ) for each Trading Site,  $s$ , which is associated with a Capacity Market Unit,  $\Omega$ , which represents an Autoproducer Unit, in each Imbalance Settlement Period,  $\gamma$ , as follows:

$$CDIFFCNP1_{sy} = QDIFFCNP_{sy} \times \text{Min}(0, PSTR_m - PIMB_\gamma)$$

$$CDIFFCNP2_{sy} = \text{Max}\left(CDIFFCNP1_{sy}, \text{Min}(-CSLLB_{sb} - CDIFFCNPB_{s(\gamma-1)}, 0)\right)$$

$$CDIFFCNP_{sy} = \text{Max}\left(CDIFFCNP2_{sy}, \text{Min}(-CSLLA_{sb} - CDIFFCNP_{A_{s(\gamma-1)}}, 0)\right)$$

where:

- (e)  $PSTR_m$  is the Strike Price for Month,  $m$ , which contains Imbalance Settlement Period,  $\gamma$ ;
- (f)  $PIMB_\gamma$  is the Imbalance Settlement Price in Imbalance Settlement Period,  $\gamma$ , calculated in accordance with Chapter E (Imbalance Pricing);
- (g)  $CDIFFCNP_{A_{s(\gamma-1)}}$  is the Annual Cumulative Non-performance Difference Charge for Trading Site,  $s$ , in the previous Imbalance Settlement Period, ( $\gamma - 1$ );
- (h)  $CDIFFCNPB_{s(\gamma-1)}$  is the Billing Period Cumulative Non-performance Difference Charge for Trading Site,  $s$ , in the previous Imbalance Settlement Period, ( $\gamma - 1$ );
- (i)  $CSLLB_{sb}$  is the Billing Period Stop-Loss Limit for Trading Site,  $s$ , in Billing Period,  $b$ , determined in accordance with in section **Error! Reference source not found.**;
- (j)  $CSLLA_{sb}$  is the Annual Stop-Loss Limit for Trading Site,  $s$ , in Billing Period,  $b$ , determined in accordance with in section **Error! Reference source not found.**;
- (k)  $CDIFFCNP1_{sy}$  and  $CDIFFCNP2_{sy}$  are iterative variables required to calculate the final value for  $CDIFFCNP_{sy}$ ; and
- (l)  $QDIFFCNP_{sy}$  is the Non-performance Difference Quantity for Trading Site,  $s$ , in Imbalance Settlement Period,  $\gamma$ .

F.18.7.7F.18.7.8 The Market Operator shall calculate the Billing Period Cumulative Non-performance Difference Charge ( $CDIFFCNPB_{sy}$ ) to be zero in the last Imbalance Settlement Period,  $\gamma$ , of each Billing Period,  $b$ , and the Annual Cumulative Non-performance Difference Charge ( $CDIFFCNP_{A_{sy}}$ ) to be zero in the last Imbalance Settlement Period,  $\gamma$ , of each Capacity Year,  $y$ , for each Trading Site,  $s$ , which is associated with a Capacity Market Unit,  $\Omega$ , which represents an Autoproducer Unit, and in each other Imbalance Settlement Period,  $\gamma$ , in the

Capacity Year,  $y$ , as follows:

$$CDIFFCNPB_{sY} = CDIFFCNPB_{s(y-1)} + CDIFFCNP_{sY}$$

$$CDIFFCNPA_{sY} = CDIFFCNPA_{s(y-1)} + CDIFFCNP_{sY}$$

where:

- (e)  $CDIFFCNPA_{s(y-1)}$  is the Annual Cumulative Non-performance Difference Charge for Trading Site,  $s$ , in the previous Imbalance Settlement Period,  $(y - 1)$ ;
- (f)  $CDIFFCNPB_{s(y-1)}$  is the Billing Period Cumulative Non-performance Difference Charge for Trading Site,  $s$ , in the previous Imbalance Settlement Period,  $(y - 1)$ ; and
- (g)  $CDIFFCNP_{sY}$  is the Non-performance Difference Charge for Trading Site,  $s$ , in Imbalance Settlement Period,  $y$ .

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G.12.4.2 Where a Participant reasonably expects that, compared with time-weighted average of Metered Demand across all of the four most recent Billing Periods, the forecasted averaged Metered Demand with respect to its Supplier Units in any of the next four Billing Periods will increase or decrease by more in absolute terms than the Credit Cover Adjustment Trigger, or, compared with the average Total Daily Amounts across all of the four most recent Billing Periods the forecasted average Total Daily Amounts with respect to its Generator Units in any of the next four Billing Periods will increase or decrease in absolute terms by more than the Credit Cover Adjustment Trigger, then it shall notify the Market Operator as soon as reasonably possible. Such a Participant shall be called an Adjusted Participant. A Participant ceases to be an Adjusted Participant when the length of time between their notification and the last Imbalance Settlement Period covered in the most recent Settlement Statement issued for that Participant is greater than the length of time covered by the Historical Assessment Period. For the avoidance of doubt any Adjusted Participants should submit a revised Forecast value if changes above the Credit Cover Adjustment Trigger occur as per this paragraph G.12.4.2 while they are treated as Adjusted Participants

**From Glossary:**

<b>Mod_09_18 Deployment Date</b>	means the <u>12/03/2021, date of the implementation of Mod_05_21 which gives effect to the outstanding issues raised in Mod_09_18. proposed by the Market Operator following discussion with the Modifications Committee, and approved by the Regulatory Authorities for the purpose of H.10, such date to be published on the Market Operator web site at least three Working Days in advance of the date concerned.</u>
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<b>Modification Proposal Justification</b> <i>(Clearly state the reason for the Modification)</i>	
This Modification has been raised to carry out minor adjustments to the Code due to either error correction or update references to new SEMC decisions. These adjustments do not affect the legal interpretation of the Code but provide transparency and consistency throughout.	
<b>Code Objectives Furthered</b> <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&amp;SC for Code Objectives)</i>	
(e) to provide transparency in the operation of the Single Electricity Market; by removing inconsistency within the T&SC.	
<b>Implication of not implementing the Modification Proposal</b> <i>(State the possible outcomes should the Modification Proposal not be implemented)</i>	
Incorrect reference and errors will remain causing confusion in the reading of the T&SC	
<b>Working Group</b> <i>(State if Working Group considered necessary to develop proposal)</i>	<b>Impacts</b> <i>(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.)</i>
No	No
<b>Please return this form to Secretariat by email to <a href="mailto:balancingmodifications@sem-o.com">balancingmodifications@sem-o.com</a></b>	

### 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:
  - 1.1 to the Market Operator and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;
  - 1.2 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;
  - 1.3 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.