



## Single Electricity Market

### MODIFICATIONS COMMITTEE MEETING MINUTES

MEETING 124B

CONFERENCE CALL

19<sup>th</sup> September 2024

10.30AM – 12.00PM

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Document History

Version	Date	Author	Comment
1.0	20 <sup>th</sup> September 2024	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0	23 <sup>rd</sup> September 2024	Modifications Committee Secretariat	Committee and Observer review complete

**Distribution List**

Name	Organization
Modifications Committee Members	SEM Modifications Committee
Modification Committee Observers	Attendees other than Modifications Panel in attendance at Meeting
Interested Parties	Modifications & Market Rules registered contacts

**Reference Documents**

Document Name
<a href="#">Balancing Market Rules – Trading and Settlement Code &amp; Agreed Procedures</a>
<a href="#">Mod_06_24 SEMO preparatory actions for ART13.7 CEP</a>

**In Attendance**

Name	Company	Position
<b>Modifications Committee</b>		
Stacy Feldmann (Chair)	SSE	Generator Member
Nick Brown	PrePayPower	Supplier Alternate
Colm Oireachtaigh	PrepayPower	Supplier Member
Andrew Kelly	ESB	Generator Member
David Morrow	Energia	Generator Member
Eoghan Cudmore	Bord Gais Energy	Supplier Alternate
Andrew Burke	Wind, Energy Ireland	Renewable Generator Member
Christopher Mullan	Power NI	Supplier Alternate
Eoin Murphy	ElectroRoute	Assetless Member
Harry Molloy	EPUKI	Generator Member
Cormac Daly	VIOTAS	DSU Member
Lisa Tate	Utility Regulator	RA Member
Kevin Goslin	CRU	RA Alternate
Michael Coone	EirGrid	SO Member

Deirdre Hughes	EirGrid	SO Alternate
Kevin Hagan	CRU	RA Member
James Long	ESB Networks	MDP Member
Katia Compagnoni	SEMO	MO Member
Martin McCarthy	SEMO	MO Alternate
<b>Secretariat</b>		
Sandra Linnane	SEMO	Secretariat
Esther Touhey	SEMO	Secretariat
<b>Observers</b>		
Pranav Kakkar	EPUKI	Observer
Patricia Brankin	SEMO	Observer
Rikki Lloyd	EirGrid	Observer
Brian Sherwin	SEMO	Observer

## 1. SEMO UPDATE

Secretariat welcomed all to Extraordinary Modifications Committee Meeting 124B and gave assurance to the Committee that the minutes would be circulated as quickly as possible.

## 2. URGENT MODIFICATION PROPOSAL

### MOD\_06\_24 SEMO PREPARATORY ACTIONS FOR ART13.7 CEP

The Proposer provided a background to the Modification Proposal noting that, following SEMC decision SEM-24-064, SEMO recognized the importance of separating the amounts collected via the Imperfection Tariff that are to be allocated for the purpose of paying liabilities under the Clean Energy Package (CEP). It was advised that the Modification would be included in a new section of the temporary arrangement in Section H of the T&SC.

The Proposer advised that the Proposal was legal in nature but simply related to the practicalities of setting up new Accounts to hold the monies collected until the completion of the judicial process when instructions would be given to SEMO by the RAs on how to proceed based on the outcome of said judicial process.

Some of the details of the Modification presented were regarding having a new Glossary terminology specific to this section (such as CEP Compensation Recipients required because some of the recipients might not be party to the Code), the establishment of new Trusts for the new Accounts and the removal of this CEP Amounts from the Working Capital Accounts.

The MO Member then shared some of the queries that were received since circulating the Modification: one was with regards to potential surplus if the appeal from the RAs was successful; MO Member explained that

this will be resolved as part of the methodology design: the amount collected is only an estimation and a surplus will be probably treated as either going back into Imperfections via the K factor or returned to the SEM account for use in the usual course.

Another query received was with regards to what arrangements are in place for the amounts that are going to be collected under TUoS. MO Member clarified that similar arrangements are planned for those amounts to be paid for the compensation due to the conclusion of Support Schemes; however TUoS is collected 2 months after the calendar day affected therefore there is more time to apply the changes and, unlike TUoS, the SEM Accounts are heavily regulated by the T&SC and therefore a Modification has been deemed necessary to ideally allow the CEP Accounts to be in place before the 17<sup>th</sup> of October which is when the money relating to the new Imperfection tariff from October 1<sup>st</sup> will be paid out..

Renewable Generator Member asked for clarification from the RAs as to why this process for compensation for Market Revenues had been delayed. RAs provided the below response:

At the time of making the decision to approve Mod\_05\_23 in September 2023, the decision of the High Court on a challenge to decision SEM-22-009 was pending. SEM-22-009 had been challenged in two sets of High Court proceedings. A judgment, covering both proceedings, was delivered on 10 November 2023; a further judgment was delivered on 1 July 2024; and a further ruling was delivered on 10 July 2024. The High Court quashed the SEM-22-009 decision and made various declarations. A stay placed on the High Court orders was put in place until the matter comes before the Court of Appeal on 11 October 2024. The CRU, as the Respondent, issued appeals in both cases on 8 August 2024 and intends to issue an application for a further stay pending the determination of the appeals.

Given these High Court Judgments and notwithstanding that a stay is currently in place on the High Court's orders, the RAs consider that implementation of decision SEM-22-009 could not occur at this time. The RAs also considers that the Mod\_05\_23, which aims to provide for implementation of the element of decision SEM-22-009 related to the retention of ex ante market revenues for firm curtailment going forward, cannot be implemented at this time. That is so, in particular, where aspects of the Modification could conflict with the High Court Judgments, which, among others, provide that financial compensation under Article 13(7) of Regulation (EU) 2019/943 must be paid by the TSO to the generator.

The RAs expect to provide clarity to the TSOs on this matter before 1st October 2024.

The Chair then asked the Members if they were satisfied that a vote could proceed receiving a positive response.

**Decision**

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This Proposal was Recommended for Approval.

Recommended for Approval by Unanimous Vote		
Stacy Feldmann (Chair)	Generator Member	Approve
Cormac Daly	DSU Member	Approve
Nick Brown	Supplier Alternate	Approve
Andrew Kelly	Generator Member	Approve
Christopher Mullan	Supplier Alternate	Approve
David Morrow	Generator Member	Approve

Eoghan Cudmore	Supplier Alternate	Approve
Andrew Burke	Renewable Generator Member	Approve
Eoin Murphy	Assetless Member	Approve
Harry Molloy	Generator Member	Approve

**Actions:**

- Secretariat to draft a Final Recommendation Report - **Open**

**4. AOB/UPCOMING MODIFICATIONS**

Secretariat thanked all for attending Meeting 124B and noted the Meeting 125 would take place on Thursday, 17<sup>th</sup> October 2024.