



Trading and Settlement Code Modifications Committee
C/O Marie-Therese Campbell
SMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

6th July 2009

Our Ref: 38620

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_18_09
(Recommendation Report FRR_18_09)**

Dear Marie-Therese,

On 25th June 2009, the Modifications Committee submitted its Modification Recommendation Report with regard to a Modification Proposal, Mod_18_09 (Error in table O.4 when a SYNC MWOFF Dispatch Instruction is greater than Maximum Generation), in accordance with paragraph 2.231 of the SEM Trading and Settlement Code (the Code).

This Modification Proposal, proposed by the Market Operator, seeks to correct an error in Appendix O of the Code which was raised during the 2008 market audit. The Modification aims to rectify an inconsistency, whereby MWOFF instructions with associated values greater than Maximum Generation are not capped to Maximum Generation, however SYNC instructions with associated values greater than Maximum Generation are. The Central Market Systems (CMS) profiles the TSO Dispatch Instruction in all instances to minimise Uninstructed Imbalance instances to Generators. The CMS has been implemented as intended from agreement during Market Development stages. Therefore the Code requires amendment to correct this inconsistency.

The SEM Committee notes that the Modifications Committee believes that the Modification Proposal aims to further the Code Objective 'to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences' and voted unanimously to recommend the Modification Proposal to the Regulatory Authorities (RAs). The Modification Committee also recommends that Mod_18_09 should be implemented on a Settlement Day basis on the next Working Day after the decision is made.

Considering the above, and in accordance with paragraph 2.218 of the Code, the SEM Committee decides that a modification be made in accordance with the Final Recommendation Report of the Modifications Committee (FRR_18_09), for the avoidance of doubt, based upon the legal drafting set out in Appendix 1 of that report. The RAs therefore direct that the Modification as set out in FRR_18_09, be made on a Settlement Day basis with effect from the next Working Day after the date of this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'A Rooney', written over a horizontal line.

Sheenagh Rooney
Manager – Wholesale Electricity Market