



Trading and Settlement Code Modifications Committee
C/O Sherine King
SEMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

4 March 2013

Our Ref: D/11/10057

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_01_13
(Recommendation Report FRR_01_13)**

Dear Sherine,

On 28th February 2013, the Modifications Committee submitted its Modification Final Recommendation Report with regard to Modification Proposal (Mod), Mod_01_13 (Interconnector Data Submission Point) in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

Modification Proposal Mod_01_13 was raised as an Urgent Mod by the Market Operator. This Mod seeks to put in place enduring arrangements to define the submission point of Interconnector related quantities as being the point at which relevant meter values are collected which is at the opposite end of the link to the SEM. The SEM Committee notes that the Modifications Committee supported this Modification Proposal unanimously stating that it would 'facilitate the efficient, economic and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner' and would 'facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market'. The Modifications Committee recommended that this Modification Proposal should be implemented on a Trading Day basis with effect from one Working Day after the Regulatory Authority decision is made.

We refer to our decision on Mod_11_11 which declined to introduce enduring arrangements to change the Data Submission Point in the Code to facilitate then current discussions in the French UK Ireland (FUI) work-stream on the application of losses to Interconnectors. Instead, the SEM Committee stipulated that the interim arrangements be extended for a further year i.e. 60 months after the Market Start Date. We note that substantial progress has been made in the coordination of cross border rules in the FUI region in recent years. This process will continue as part of the implementation of the Target Model. Nonetheless, the specific matter of coordination of the point of connection for interconnectors that is set out in Mod_11_11, was not considered to be a priority issue to progress for the FUI Region at this juncture, and we do not expect this position to alter before market changes brought about by the Target Model in 2016 are implemented. Therefore, the SEM Committee is of the view that it is advisable to introduce enduring arrangements into the Code, while noting that this issue may be revisited at a future date, if it is required by the FUI work-stream.

Considering the above, and in accordance with paragraph 2.218 of the Code, the SEM Committee decides that a modification should be made in accordance with the Final Recommendation Report of the Modifications Committee (FRR_01_13).

The Regulatory Authorities therefore direct that the Modification, as set out in FRR_01_13, should be made and that this Modification should be implemented on a Trading Day basis with effect from one Working Day after the date of this letter.

Yours sincerely,

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

Sheenagh Rooney
Manager
Wholesale Electricity Market