

Trading and Settlement Code Modifications Committee
C/O Esther Touhey
SEMO Modifications Committee Secretariat
Castlereagh House
12 Manse Road
Belfast
BT6 9RT

12th June 2015

Our Ref: D/15/10882

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_05_15
(Recommendation Report FRR_05_15 v2.0)**

Dear Esther,

On 22nd May 2015, the Modifications Committee submitted its Final Recommendation Report with regard to Modification Proposal, Mod_05_15 (Representation of Interconnector User Participants on the Modification Committee) in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

Modification Proposal Mod_05_15 was raised by the Electrорoute and seeks to introduce one new seat on the Modifications Committee for Interconnector User Participants. The Modification proposal was brought forward by Electrорoute as they felt that interconnector users are not adequately represented on the Modifications Committee now as their interests may not align with those of the Generator Units, Supplier Units or Demand Side Units that currently account for the participant membership of the Committee.

The SEM Committee notes that the Modifications Committee voted unanimously to recommend approval of the Modification Proposal. Three Committee members requested that clarification be issued regarding the voting process that would be in place if this Modification Proposal was implemented. SEMO subsequently issued a clarification on this matter. The SEM Committee further notes that the Modifications Committee stated that the proposal meets the following two code objectives: to ensure no undue discrimination between persons who are parties to the Code; and to promote the short term and long term interests of consumers of electricity on the island of Ireland with respect to price, quality, reliability and security of supply of electricity.

The SEM Committee sees merit in this Modification Proposal given the recommendation from the Modifications Committee that it increases representation for interconnector users. The SEM Committee notes that the Modifications Committee has taken care to ensure that the addition of a new member of the Committee does not introduce issues with respect to the quorum for the Committee. Finally, the SEM Committee notes that, once this modification is implemented, it will be necessary to seek nominations for a member and an alternate member and if necessary to undertake elections before a member can be appointed for an initial period of two years.

Considering the above, and in accordance with paragraph 2.218 of the Code, the SEM Committee directs that a Modification be made in accordance with the Final Recommendation Report of the Modifications Committee (FRR_05_15v2.0), for the avoidance of doubt based upon the legal drafting set out in Appendix 1 of that report.

The SEM Committee therefore directs that a Modification be made on a Settlement Day basis with effect from the Working Day after the date of this letter.

Yours sincerely,

A handwritten signature in cursive script that reads "Clive Bowers".

Clive Bowers
Manager, Wholesale Electricity Market