

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

16 November 2015

Our Ref: D/15/18742

SEM Committee Decision for the Regulatory Authorities in relation to Mod_12_13 (Final Recommendation Report FRR_12_13 v2.0)

Dear Esther,

On 22nd September 2015, the Modifications Committee submitted its Modification Recommendation Report with regard to Modification Proposal, Mod_12_13 (Amendment to Special Units Pumped Storage definition to include Energy Storage) in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

Modification Proposal Mod_12_13 was raised by AES and sought to modify the specific reference in the Code to 'Pumped Storage' to a more generic reference to 'Energy Storage'. However, the SEM Committee notes that during the development of the detail of the Modification Proposal this initial approach was narrowed to incorporate only Battery Storage rather than the more general energy storage.

The SEM Committee notes that the majority of members of the Modifications Committee were of the view that the Modification Proposal would better facilitate the achievement of the Code Objectives "to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market", "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 Modifications Committee further recommended that the Modification should be implemented on a Trading Day basis with effect from one Working Day after the SEM Committee decision. The SEM Committee also notes that this change will not require any changes to the Central Market Systems.

The SEM Committee welcomes the bringing forward of this Modification and in particular notes that as a result of this modification, battery storage will be accommodated in SEM within the existing framework and without the need for systems changes.

Considering the above, the SEM Committee directs that a Modification, as set out in Section 9 of FRR_12_13 v2.0, be made 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 'Clive Bowers', written over a horizontal line.

Clive Bowers
Manager
Wholesale Electricity Markets