

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

28 September 2012

Our Ref: D/12/16505

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_16_12
(Recommendation Report FRR_16_12)**

Dear Sherine,

On 17th September 2012, the Modifications Committee submitted its Modification Recommendation Report with regard to Modification Proposal, Mod_16_12 (Inconsistent Technical Capabilities when Higher Operating Limit is zero and less than Lower Operating Limit) in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

Modification Proposal, Mod_16_12 was raised by the Market Operator (SEMO) and seeks to document more fully the treatment of inconsistent Higher and Lower Operating Limits. At present if the Higher Operating Limit (HOL) is greater than zero and less than the Lower Operating Limit (LOL), the HOL is set equal to the LOL. The Code provisions do not cater for the circumstances where the HOL is zero. Mod_16_12 proposes that, under these circumstances, LOL should be set to zero also.

The SEM Committee notes that voting members of the Modifications Committee voted unanimously to recommend the Modification Proposal for approval and believed that it better facilitated the Code Objective to "to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences". The Modifications Committee further recommended that the Modification should be implemented on a Settlement Day basis one Working Day after the SEM Committee decision is made.

Considering the above, and in accordance with paragraph 2.218 of the Code, the SEM Committee directs that the Modification be made as recommended in the Final Recommendation Report of the Modifications Committee (FRR_16_12), for the avoidance of doubt based upon the legal drafting set out in Appendix 1 of the report. The Modification shall be implemented on a Settlement Day basis one Working Day after the date of this letter.

Yours sincerely,



Sheenagh Rooney
Manager
Wholesale Electricity Market