



Trading and Settlement Code Modifications Committee
C/O Aisling O'Donnell
SMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

17th June 2010

Our Ref: D/10/3879

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_21_10
(Recommendation Report FRR_21_10)**

Dear Aisling,

On 16th June 2010, the Modifications Committee submitted its Modification Recommendation Report with regard to a Modification Proposal, Mod_21_10 (Clarification of Management of Taxes and VAT) in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

This Modification Proposal, proposed by the Market Operator, seeks to capitalise an existing heading to make it clear that the section of the code referring to taxes and VAT is not part of the section on Administered Settlement that precedes it.

The SEM Committee notes that the Modifications Committee agreed unanimously that the Modification Proposal furthers the Code Objective "*to provide transparency in the operation of the Single Electricity Market*" and that the modification should be implemented on a Settlement Day basis on the next Working Day after the Regulatory Authorities' decision is made.

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_21_10), for the avoidance of doubt based upon the legal drafting set out in Appendix 1 of that report. The Regulatory Authorities therefore direct that a Modification 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 that reads 'Dana Kelleher'. The signature is written in a cursive, flowing style.

Dana Kelleher
Analyst - Wholesale Electricity Market