



Trading and Settlement Code Modifications Committee C/O Marie-Therese Campbell SMO Modifications Committee Secretariat The Oval 160 Shelbourne Rd Dublin 4

20th August 2009

Our Ref: 38767

SEM Committee Decision for the Regulatory Authorities in relation to Mod_32_09 (Recommendation Report FRR_32_09)

Dear Marie-Therese,

On 17th Aug 2009, the Modifications Committee submitted its Modification Recommendation Report with regard to a Modification Proposal, Mod 32:09 (Interim provision to correct misaligned DLAF/CLAF/TLAF timelines), in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

This Modification Proposal, raised by the EirGrid, seeks to replace the definition of Forecast Demand with a definition of Annual Combined Load Forecast and to replace the definition of Monthly Forecast Demand with a definition of Monthly Combined Load Forecast. The aim of these changes is to clarify the content and the processes in the Code regarding Load Forecasts.

The SEM Committee notes that the Modifications Committee believes that the Modification Proposal aims to further the Code Objectives 'to provide transparency in the operation of the Single Electricity Market' 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' and voted unanimously to recommend the Modification Proposal to the Regulatory Authorities (RAs). The Modification Committee also recommends that Mod_32_09 should be implemented on a Settlement Day basis on the next working day after the decision is made.

The SEM Committee further notes that in sections 1 and 4 of the Modification Recommendation Report it was recorded that this Modification was originally raised as an Urgent Modification, but "the Modification was not deemed Urgent by the RAs". The RAs do not agree with this statement. The RAs had requested further information in order to determine whether the Modification should be deemed urgent. It was subsequently discussed as a Standard Modification Proposal and recommended for approval at the following meeting of the Modifications Committee.

Considering the above, and in accordance with paragraph 2.218 of the Code, the SEM Committee decides that a modification be made in accordance with the Final Recommendation Report of the Modifications Committee (FRR_32_09), for the avoidance of doubt, based upon the legal drafting set out in the 1st attachment to that report, together with the further changes set out in section 10 of the report. The RAs therefore direct that the Modification as set out in

FRR_32_09, be made on a Settlement Day basis with effect from the next Working Day after the date of this letter.

Yours sincerely,

Sheenagh Rooney

Manager - Wholesale Electricity Markets