



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

28th October 2009

Our Ref: 38983

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_36_09
(Recommendation Report FRR_36_09_V1.1)**

Dear Stephanie,

On 27th October 2009, the Modifications Committee submitted its Modification Recommendation Report with regard to a Modification Proposal, Mod_36_09 (Extending Interim Provision for ESU Calculation), in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

This Modification Proposal, raised by SEMO, seeks to extend the existing Error Supply Unit clause, Section 7.12, by a further 2 months. This is to allow for RA discussion on the Error Supply Unit.

The SEM Committee notes that the Modifications Committee recommends an extension of 4 months be approved to allow the Regulatory Authorities to finalise its decision and to avoid the Committee voting on another extension at its December 2009 Meeting; and in anticipation that an enduring version of this modification could require system changes, depending on the decision taken and the cutoff date for the October 2010 release is approximately February 2010. The SEM Committee further notes that the Modifications Committee believes that the Modification Proposal furthers the Code Objectives '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. The Modifications Committee also recommends that Mod_36_09 should be implemented on a Settlement Day basis on the next Working Day after the decision is made.

The SEM Committee have given further thought to this issue and the need for further RA discussion on the Error Supply Unit and have therefore decided that the existing Error Supply Unit clause, Section 7.12, should be extended by a further 6 months (until end April 2010) to allow for this to happen. This change requires a legal drafting change to Section 7.12 by inserting "30" in replace of "24" in the first line of this clause.

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_36_09), for the avoidance of doubt, based upon

the legal drafting to Section 7.12 of the Code set out in this letter. The Regulatory Authorities therefore direct that the 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, appearing to read 'Sheenagh Rooney', written over a horizontal line.

Sheenagh Rooney
Manager – Wholesale Electricity Market