

Trading and Settlement Code Modifications Committee
c/o Esther Touhey
SEMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

12 August 2021

Our Ref: F/23/167

SEM Committee Decision for the Regulatory Authorities in relation to Mod_02_21 V2 (Final Recommendation FRR_02_21)

Dear Esther,

On 21 May 2021, the Modifications Committee submitted its Final Recommendation Report (FRR) with regard to Modification Proposal Mod_02_21 V2 'Setting a Flag for Interconnector Actions' in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (TSC). The Modification Proposal Mod_02_21 was submitted to the Modifications Committee by SSE Airtricity on 28 January 2021 and discussed at a Working Group in March before Version 2 was voted on at Meeting 104 on 28 April 2021.

The Regulatory Authorities understand that this Modification Proposes to flag Cross Zonal Actions by setting the System Operator Flag to zero for Interconnector Residual Capacity Units when an Interconnector Trade Quantity and Price is submitted. The Regulatory Authorities note the useful discussions which have taken place through the Modifications Committee concerning the application of System Operator Flags to Interconnectors and the differences in the scheduling process between Generator Units and Interconnectors. As a follow on to these

discussions, the Regulatory Authorities will engage with the TSOs to understand whether further information on Cross-Zonal Actions can be made available.

The Regulatory Authorities are of the view that it is appropriate that this Modification is implemented, with Cross-Zonal Actions flagged where they are taken for system security reasons or to facilitate priority dispatch.

The Regulatory Authorities note that two potential legal drafting changes are discussed in the Modification and direct that the change to Section F.2.4.8 of the Trading and Settlement Code is implemented as it more closely reflects the system changes that will be implemented.

The Regulatory Authorities note that this Modification was voted for approval by 9 Members of the Modifications Committee, with one vote to recommend rejection of the Modification.

Considering the above, and in accordance with Paragraph B.17.20 of the Code, the SEM Committee direct that Mod_02_21 is implemented and should be made effective on the first available date following the delivery of the required system changes.

Yours sincerely,

Grainne Black
Manager
Wholesale Electricity Markets
Commission for Regulation of Utilities

Leigh Greer
Manager
Wholesale Electricity Markets
Utility Regulator