

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

21 August 2024

Our Ref: F/28672

SEM Committee Decision for the Regulatory Authorities in relation to Mod_05_24 (Final Recommendation FRR_05_24)

Dear Esther,

On 25 July 2024, the Modifications Committee submitted its Final Recommendation Report (FRR) with regard to Modification Proposal Mod_05_24 'Clarification of Start Up Payment Conditions' in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (TSC). The Modification Proposal Mod_05_24 was submitted to the Modifications Committee by SEMO on 5 June 2024 and discussed and voted on at Meeting 123 on 20 June 2024.

This Modification, proposed by SEMO, provides clarification to F.11.2.2(a) of the TSC with respect to the conditions for which Start Up Costs (CSU) are paid resulting from Bid Offer Acceptances (BOA) being settled on complex Commercial Offer Data (COD).

A previous change to market systems resulted in an unintended outcome whereby units would not be paid CSU in certain rare scenarios due to how instruction profiling is used to calculate

BOA volumes as per Appendix O of the Code. Consequently, to mitigate the risk of this issue occurring, SEMO implemented a workaround to ensure units received CSU when required.

This Modification does not change the market design nor change the intent of the TSC with regards to CSU. It is intended as only a clarification of F.11.2.2(a) to clarify which scenarios are eligible for CSU payment. This Modification does require a minor change to the settlement system to remove the need for the workaround currently in place.

The RAs note that this Modification was recommended for approval on a unanimous basis by the Modifications Committee.

Considering the above, and in accordance with Paragraph B.17.20 of the Code, the SEM Committee directs that a Modification, as set out in Appendix 1 of FRR_05_24, is implemented on a Settlement Day with effect from two Working Days after this letter is issued. The system changes required to remove the need for the workaround currently in place should be delivered as soon as practicable.

Yours sincerely,

Kevin Hagan
Manager
Wholesale Electricity Markets
Commission for Regulation of Utilities

Lisa Tate
Manager
All-Island Regulation
Utility Regulator

(Sent by email with no signature)