

<b>MODIFICATION PROPOSAL FORM</b>			
<b>Proposer</b> <i>(Company)</i>	<b>Date of receipt</b> <i>(assigned by Secretariat)</i>	<b>Type of Proposal</b> <i>(delete as appropriate)</i>	<b>Modification Proposal ID</b> <i>(assigned by Secretariat)</i>
<b>CRU &amp; UR</b>	<b>5 June 2020</b>	<b>Standard</b>	<b>Mod_07_20</b>
<b>Contact Details for Modification Proposal Originator</b>			
<b>Name</b>	<b>Telephone number</b>	<b>Email address</b>	
<b>Adam Fitzpatrick</b>		<b>afitzpatrick@cru.ie</b>	
<b>Modification Proposal Title</b>			
<b>Balancing Modifications Committee composition and constitution definitions</b>			
<b>Documents affected</b> <i>(delete as appropriate)</i>	<b>Section(s) Affected</b>	<b>Version number of T&amp;SC or AP used in Drafting</b>	
<b>T&amp;SC Part B</b> <b>Agreed Procedure 12</b> <b>Glossary</b>	<b>T&amp;SC B.17.3</b> <b>AP12 3.7</b>	<b>T&amp;SC V21</b> <b>AP12 V1</b>	
<b>Explanation of Proposed Change</b> <i>(mandatory by originator)</i>			
<p>As part of the discussion on Mod_14_19 at Meeting 93 on 22 August 2019, the current set up of the Modifications Committee and how parties are represented was discussed. The RAs suggested that there was merit in a broader review of the composition of the Committee and the voting rules set out in the TSC and Agreed Procedures. It was agreed that a Working Group should be convened to consider the constitution of the Modifications Committee and how it is elected more generally.</p> <p>The first Working Group meeting took place in November 2019, after which the RAs circulated a number of options for the composition of the Committee for comment based on the discussion. There was general agreement that some changes to the Modifications Committee could be considered and the remaining options discussed at the end of the second working group were circulated for a further round of feedback from Modifications Committee Members. Comments were invited on the following options;</p> <ul style="list-style-type: none"> <li>• No changes to the composition of the Committee</li> <li>• The creation of a renewable seat under the Generator category (with no further seats added)</li> <li>• The addition of an extra seat for both the Generator and Supplier categories, with a renewable seat under the Generator category.</li> </ul> <p>Following the feedback received from Members and Observers, the RAs have decided to raise a Modification with the following changes to the Committee composition;</p> <ol style="list-style-type: none"> <li>1. The addition of a new Generator and Supplier Seat.</li> <li>2. Revisions to the definition of the types of Participants represented under the Generator seat category and Supplier seat category.</li> <li>3. An additional proposal for Interconnector Owners to be represented and eligible to run for Generator seats, due to the fact that they are not currently represented as a constituent by any Member of the Modifications Committee. This would allow Interconnector Owners to run for Generator seats but would also require that Generators formally represent their interests on the Committee.</li> </ol> <p>This modification seeks to amend Section B.17.3 of the T&amp;SC to create an additional position on the Modifications Committee for Generator and Supplier Participants. This change would bring the number of members listed in B.17.3.1 (b) of the T&amp;SC to 17, the maximum number allowed, so it is proposed that this is increased to 19. This would allow for more Participants to take part in the election process for additional seats on the Modifications Committee</p>			

This change is in line with Section B17.3.3, which states that *“there shall at all times be an equal number of persons nominated by or elected in respect of Generation Participants and persons nominated by or elected in respect of Supply Participants on the Modifications Committee.”*

The Modification also makes an amendment to Section B.17.3.2 of the T&SC to define which constituencies Modifications Committee Members are required to represent, in particular to clarify the representation of Suppliers. In the proposed definition of B.17.3.2(b), Assetless Units and DSUs are excluded because they already have dedicated seats.

It is important to note that these changes will not come into effect until the next Balancing Modifications Committee election.

**Legal Drafting Change**

*(Clearly show proposed code change using **tracked** changes, if proposer fails to identify changes, please indicate best estimate of potential changes)*

### B.17.3 Constitution of the Modifications Committee and Voting Rules

B.17.3.1 The Modifications Committee shall consist of:

- (a) one member appointed by the Commission and one member appointed by UREGNI;
- (b) no more than ~~17~~ 19 further members appointed as follows, such persons to include at all times:
  - (i) ~~at least three members~~ at least five members nominated by or elected in respect of Generation Participants and Interconnector Owners;
  - (ii) ~~at least three members~~ at least five members nominated by or elected in respect of Supply Participants;
  - (iii) one member appointed by the Market Operator;
  - (iv) one member appointed by each of the System Operators;
  - (v) one member appointed by each of the Meter Data Providers (to the extent not already represented);
  - (vi) a member nominated by or elected in respect of Demand Side Participants; and
  - (vii) a member nominated by or elected in respect of Assetless Participants.

B.17.3.2 (a) A member elected or appointed to represent a particular type of party shall represent the interests of the type of party it is elected or appointed to represent.

(b) Members nominated in respect of Generation Participants and Interconnector Owners shall represent the interests of Participants which have registered one or more Generator Units other than Demand Side Units or Assetless Units and Interconnector Owners as defined in the Code.

(c) Members nominated in respect of Supply Participants shall represent the interests of Participants which have registered one or more Supplier Units and which supply electricity to multiple end consumers.

### Agreed Procedure 12

#### 3.7 Annual Nominating Participant Election

##### Step 5 Step Description

Votes are cast as follows:

- a) Nominating Generation Participants and Interconnector Owners cast one vote per Participant in relation to Generation Participant Members vacancy;
- b) Nominating Supply Participants cast one vote per Participant in relation to Supply Participant Members vacancy;
- c) Nominating Demand Side Participants cast one vote per Participant in relation to Demand Side Participant Members vacancy; and
- d) Nominating Assetless Participants cast one vote per Participant in relation to Assetless Participant Members vacancy.

Voting rules are as follows:

- a) In the event of only 1 candidate nomination for the relevant Participant Member position, this candidate will be automatically deemed the successful candidate in an uncontested election;
- b) In the event of 2 or more candidate nominations for 1 relevant Participant Member position, voters have one vote only, and election is by a simple majority. The successful candidate is the candidate

- with the highest number of votes. In the event of a tie, another round of voting may occur; and
- c) If 2 or more candidates are put forward for nomination for multiple Participant member positions, each voter is asked to rank the candidates in order of preference. The candidates with the least amount of highest preference votes will be eliminated, and the candidates with the majority of highest preference votes will be elected.

## Glossary

### Nominating Generation Participants and Interconnector Owners

For the purposes of section B.17 in relation to the Modifications Committee, this means a Party which is a Generation Participant or Interconnector Owner is allowed to nominate and vote for Generation Participant and Interconnector Owner nominees to the Modifications Committee.

### Modification Proposal Justification *(Clearly state the reason for the Modification)*

This Modification seeks to address the RAs concern about balance on the Modifications Committee, which has been discussed with Members at Working Group 1 and 2 on Mod\_14\_19 (Interconnector Representation on the Modifications Committee), which were used as a wider discussion on Committee composition. The Modification also seeks to reflect the outcomes of WG 1 and 2 and the written feedback received by the RAs.

The RAs believe that the addition of a Generator Participant and Supply Participant to the Committee will increase representation of the respective constituencies, as all Participants will have an increased chance of becoming a Member.

The proposed change to define which constituencies different Participants are able to run in and vote for in elections is intended to place members in the most appropriate groups on the Committee, aligning with B.17.3.2 of the T&SC which states that “a member elected or appointed to represent a particular type of party shall represent the interests of the type of party it is elected or appointed to represent.”

### Code Objectives Furthered *(State the Code Objectives the Proposal furthers, see Section 1.3 of Part A and/or Section A.2.1.4 of Part B of the T&SC for Code Objectives)*

(c) to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;

### Implication of not implementing the Modification Proposal *(State the possible outcomes should the Modification Proposal not be implemented)*

If this Modification is not implemented, the RAs’ concerns about balance (expressed at Mod\_14\_19 WG 1 & 2) will not be addressed. No addition of Generator and Supplier seats will lead to less representation from Participants in these constituencies on the Modifications Committee.

**Working Group**  
*(State if Working Group considered necessary to develop proposal)*

**Impacts**  
*(Indicate the impacts on systems, resources, processes and/or procedures; also indicate impacts on any other Market Code such as Capacity Marker Code, Grid Code, Exchange Rules etc.)*

n/a	n/a
<i>Please return this form to Secretariat by email to <a href="mailto:balancingmodifications@sem-o.com">balancingmodifications@sem-o.com</a></i>	

### Notes on completing Modification Proposal Form:

1. If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal Originator.
2. Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Modifications Committee.
3. Each Modification Proposal will include a draft text of the proposed Modification to the Code unless, if raising a Provisional Modification Proposal whereby legal drafting text is not imperative.
4. For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:

Agreed Procedure(s):	means the detailed procedures to be followed by Parties in performing their obligations and functions under the Code as listed in either Part A or Part B Appendix D "List of Agreed Procedures". The Proposer will need to specify whether the Agreed Procedure to modify refers to Part A, Part B or both.
T&SC / Code:	means the Trading and Settlement Code for the Single Electricity Market. The Proposer will also need to specify whether all Part A, Part B, Part C of the Code or a subset of these, are affected by the proposed Modification;
Modification Proposal:	means the proposal to modify the Code as set out in the attached form
Derivative Work:	means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal

The terms "Market Operator", "Modifications Committee" and "Regulatory Authorities" shall have the meanings assigned to those terms in the Code.

In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Section 2 of Part A or Chapter B of Part B of the Code (and Part A Agreed Procedure 12 or Part B Agreed Procedure 12) , which I have read and understand, I agree as follows:

1. I hereby grant a worldwide, perpetual, royalty-free, non-exclusive licence:
  - 1.1 to the Market Operator and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;
  - 1.2 to the Regulatory Authorities, the Modifications Committee and each member of the Modifications Committee to amend, adapt, combine, abridge, expand or otherwise modify the Modification Proposal at their sole discretion for the purpose of developing the Modification Proposal in accordance with the Code;
  - 1.3 to the Market Operator and the Regulatory Authorities to incorporate the Modification Proposal into the Code;
  - 1.4 to all Parties to the Code and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the Code or otherwise, for any purpose arising out of or in connection with the Code.
2. The licences set out in clause 1 shall equally apply to any Derivative Works.
3. I hereby waive in favour of the Parties to the Code and the Regulatory Authorities any and all moral rights I may have arising out of or in connection with the Modification Proposal or any Derivative Works.
4. I hereby warrant that, except where expressly indicated otherwise, I am the owner of the copyright and any other intellectual property and proprietary rights in the Modification Proposal and, where not the owner, I have the requisite permissions to grant the rights set out in this form.
5. I hereby acknowledge that the Modification Proposal may be rejected by the Modifications Committee and/or the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the Code.