



13 October 2020

## Withdrawal Notification

Mod\_11\_20 Definition of a Supplier Member

### 1 MODIFICATIONS COMMITTEE MEETING 101 MINUTES

- The RAs provided a brief summary of the discussions that lead to this Modification noting that there were three elements to be considered some still outstanding with an aim to raise them in the December meeting: The potential addition of one new Generator seat and one new Supplier seat - This was considered and did not proceed in light of the results of the 2020 election which failed to fill all of the Suppliers seats available.
- How Interconnectors can be represented - It was advised that a second Modification had not been produced as there were discussions ongoing on how Interconnectors can be represented. The RAs welcomed comments on this.
- Definition of Supplier – this is the subject of Mod\_11\_20 which aim to take into consideration previous comments received on the representation of Suppliers on the Panel and would not take place until the next Member's election.

A Supplier Member raised concerns that this Modification was discriminatory against self-supply units at a time where more and more demand type units are planning to enter the Market, such as large Data Centers, in the near future. It was felt that this Modification was making representation less inclusive, did not give the correct signals and did not reflect the previous discussions on the matter.

A DSU Member voiced the same concern advising that if this Modification was approved a significant number of megawatts may end up not being represented. It was noted that one of the initial concern was that Interconnectors were not adequately represented, but approving this Modification would cause the same issue with some demand customers not being represented. There was an agreement from a number of other Generator and Supplier Members with the points raised and it was noted that this definition would make it more difficult to find Members eligible for election and that Participants should be allowed to vote for whom they wish to be represented by. Also questions were raised as to why this Modification was being rushed as opposed to the other outstanding items regarding the Panel composition.

The RAs agreed to take all of the points on board and assured the Committee that this Modification was not being rushed as it would not be effective until the next election. It was their aim to process any changes to assist in revising the Modification.

A discussion began around the glossary definition of a Supplier and why this Mod introduces a different one. SEMO noted this was because the Supplier definition in itself is not changing; the Modification only addresses representation to the Panel. A consideration could be made on how new entities would be represented going forward in a similar fashion to the process that lead to new DSUs and Assetless Members. A Supplier and DSU Members refuted stating that the generic Generator/Supplier category should suffice and advising that when DSU Membership was being put forward, DSU units were already represented by Generators and a case was brought forward on how the two differ; this Modification instead would exclude a large part of Demand Users that are already entering the Market.

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A Supplier Member stated that, although the drive behind the RAs approach was understandable, the definition should not be looked in isolation so that no costumer is excluded.

Another Supplier Member noted that the Working Group had highlighted the need for an additional Generator and Supplier seat plus a new definition for a dedicated Renewable seat.. A question was raised if this was something that should be brought forward by Participants themselves or RAs.

The RAs advised that it was the intention not to exclude any of the previous suggestions but in the context of the latest elections, it didn't seem appropriate. Also concerns had been raised by the fact that if there were to be a ring-fenced Renewable seat, that would stop a Participant from holding a Generator seat. The RAs confirmed that this was not brought forward because there was uncertainty around how much consensus there was in this.

A Supplier Member advised that the above had been discussed at length previously and the priority was to capture the right Participants noting that definitions need to be fair and inclusive.

SEMO Member asked if the main issue was with the phrase '*multiple end consumers*' and if a definition which also took into consideration sites with single consumers would be acceptable. DSU Member asked if '*end consumer*' was intended to be a defined term as it is not currently included in the Glossary. A Supplier Member added that maybe the focus should be on Demand behaviours as opposed to defining by exclusion.

The Assetless Member asked the RAs why they though residential and commercial demand customers are under-represented. The RAs advised that they wanted to get the correct balance, they see no difference on weather a Suppliers have one or multiple customers as Demand is represented as an aggregate, as noted by other comments; however, there was a different impact of the charges as they are applied to different types of Supplier units and therefore the concern is around how the issues are considered and voted on. Assurance was given that new Supplier seats would not be added without balancing and adding other Generator seats.

The Chair summarized that this Modification would not be voted on at this meeting but suggested an industry call may be of benefit instead of another Working Group to tease out further ideas and comments. The Secretariat agreed with this proposal advising that a solution needed to be reached on this and they could facilitate circulation of written scope and questions so that there would be a record of the discussion which wouldn't be minuted as a regular Working Group would.

RAs also agreed with proceeding with an industry call and confirmed that this Modification could be withdrawn with a number of issues to be brought to the call with a purpose of getting detailed feedback before new Modifications can be raised on this and the other outstanding items concerning the Panel composition and representation.

### *Decision*

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- The proposal was withdrawn.