



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

18 April 2018

Our Ref: D/18/6318

SEM Committee Decision for the Regulatory Authorities in relation to Mod_07_18 (Final Recommendation FRR_07_18)

Dear Esther

On 10 April 2018, the Modifications Committee submitted its Final Recommendation Report (FRR) with regard to Modification Proposal Mod_07_18: "Clarification of use of variable "b" in NIV and PAR Tagging scenarios" in accordance with paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (the Code).

Modification Proposal Mod_07_18 was submitted to the Modifications Committee by SEMO on 14 February 2018. The Modification intends to clarify the algebra around the determination of Net Imbalance Volumes (NIV) and Price Average Reference (PAR) tags in the determination of the Imbalance Price, and ensure that there is only one solution in each scenario.

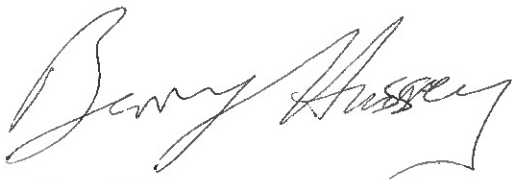
The Regulatory Authorities note that a presentation was made to the Modifications Committee on 13 March 2018 summarising the requirement for this proposal. During the meeting, it was suggested by an observer that the solution proposed did not address the identified problem, and could not be implemented in systems.

Two Members of the Modifications Committee voted to approval the Proposed Modification, contingent on the Regulatory Authorities being convinced that the technical issues raised during the meeting had been fully resolved. Four Members abstained from voting.

Since the meeting, SEMO has indicated to the Regulatory Authorities that the Proposed Modification does not address all potential scenarios, and should not be implemented in systems.

Considering the above and in accordance with paragraph B.17.20.1(c) of the Code, the SEM Committee direct the Modifications Committee that further work is required in respect of the Mod_07_18. A revised version of the Modification Proposal should be brought before the Modifications Committee at its next meeting.

Yours sincerely

A handwritten signature in black ink, appearing to read "Barry Hussey". The signature is written in a cursive style with a large initial 'B' and a long, sweeping tail.

Barry Hussey
Manager
Wholesale Electricity Markets

Modifications Committee at its next meeting
Mod_07_18. A revised version of the Modification Proposal should be brought before the
Committee from the Modifications Committee that further work is required. The scope of the
Considered the above and in accordance with paragraph 17.50 (c) of the Code the SEM

Yours sincerely

Manoj
Manager
Walesis Property Services