

I-SEM Training

SEMO (CM & IMB) Query Management

October 2017



Part 1: SEMO Query Management under the Trading & Settlement Code

COPYRIGHT NOTICE

All rights reserved. This entire publication is subject to the laws of copyright. This publication is confidential and sole property of EirGrid plc and SONI Limited. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or manual, including photocopying without the prior written permission of EirGrid plc and SONI Limited.

© **SONI Limited / EirGrid Plc 2017**

DOCUMENT DISCLAIMER

This manual is intended as a guide only. Whilst every effort is made to provide information that is useful, and care is taken in the preparation of the information, EirGrid plc and SONI limited give no warranties or representations, expressed or implied, of any kind with respect to the contents of this document, including, without limitation, its quality, accuracy and completeness. EirGrid plc and SONI limited hereby exclude, to the fullest extent permitted by law, all and any liability for any loss or damage howsoever arising from the use of this document or any reliance on the information it contains. Use of this document and the information it contains is at the user's sole risk.

Modules

Part 1: SEMO Query Management under the Trading & Settlement Code

Learning Objectives

Topic 1: Introduction to formal Query Management

Topic 2: What can be queried and where can I find it?

Topic 3: Timelines and process for submitting a Settlement Query

Topic 4: Timelines for resolving a Settlement Query

Topic 5: Course Summary

Learning Objectives

- By the end of this training session you should understand with respect to the **Trading & Settlement Code**:
 - *What you can query*
 - *The timelines and process for submitting a Settlement Query*
 - *The timelines and process for responding by the MO*
 - *What actions can be taken when a Settlement Query is resolved*

Topic 1: Introduction to formal Query Management

Introduction to formal Query Management

- **Formal Queries** are queries that are defined under the **Trading & Settlement Code**.
- The Code framework sets obligations around these such as timelines for resolution and a Participant's right to formally dispute the findings.
- Submission of formal Queries must follow steps set out in the relevant Agreed Procedure documents.
- These are different from general queries or data requests submitted to the market helpdesk which are subject to service level agreements.
- Under the old arrangements in Part A of the Code, participants could **submit Data Queries, Settlement Queries** and **Credit Cover Queries**.
- Under the new arrangements in Part B of the Code, only **Settlement Queries** remain.

Introduction to formal Query Management

- Data Queries under Part A are specifically related to the data inputs that feed the **Market Scheduling & Pricing** software and set the ex-post **System Marginal Price** under Part A.
- Due to the fundamental changes in the design of the SEM, Data Queries are no longer relevant as recalculation of prices cannot be triggered through a query. The calculation of the Imbalance Price and Imbalance Settlement Price can be challenged through a **Pricing Dispute**.
- Credit Cover Queries under Part A relate to the calculation of **Credit Cover Requirements** for Participants with **Interconnector Units**.
- This was to facilitate a fast resolution in the event that an error in the calculation caused a Participant's offers to be curtailed.
- The removal of Interconnector Units from the SEM design has meant that this facility is no longer required.

Topic 2: What can be queried and where can I find it?

What can be queried?

- Settlement Queries are raised by a Participant where they believe settlement results may have been calculated incorrectly due to the incorrect application of input data.
- Data that can be subject to query can be derived from different sources as shown in the table on the next slide.
- A Settlement Query can be in relation to the **application** or the **calculation** of one of the following data items.
- How this applies depends on the data item being queried; for example, **Physical Notifications (PN)** are calculated by Participants and submitted to the TSO; therefore, a Participant can only query the **application** of their PN in subsequent calculations but **not their own calculation**.

What can be queried?

Data	Source
Physical Notifications	Submitted by Participant
Accepted Bid Offer Quantities	Determined by the MO
Accepted Bid Offer Prices	Calculated by Market Operator
Day-ahead Trade Quantities	Submitted by SEM NEMO
Intraday Trade Quantities	Submitted by SEM NEMO
Metered Generation / Demand	Submitted by Meter Data Providers
Dispatch Quantities	Calculated by the MO
The application of Imbalance Prices	Used by MO in determining Imbalance Settlement Price
The application of Imbalance Settlement Prices	Used by MO in settlement calculations
The application of Market Back Up Prices	Used by MO in determining Imbalance Settlement Price
Curtailment Prices	Calculated by the MO
Availabilities	Submitted by the TSOs
Fixed Cost Payments or Charges	Calculated by the MO
Capacity Payments or Charges	Calculated by the MO

What can be queried?

- Note that only the application of the Imbalance Settlement Price can be subject to a Settlement Query and not the calculation of the Imbalance Settlement Price (and other inputs such as the Imbalance Price and the Market Backup Prices).
- The intent of this is to provide price certainty to Participants with no query option to re-open the ex-post prices after the fact.
- This should provide certainty and a clearer price signal to Participants.
- The new market rules do provide for a **Pricing Dispute** in the event that a Participant believes there has been a manifest error in the calculation of the prices.
- This will be dealt with in the presentation on Disputes.

What can be queried?

- All the items listed feed into the calculations of a participant's **Trading Payments and Charges**.
- As such, if a Participant detects an issue with the Market Operator's calculation, they should review and advise what data input they believe has been applied incorrectly.
- Separately, a Participant can raise a query directly on **their Capacity Payments and Charges** based on the results alone.
- **Fixed Costs Payments and Charges** can also be directly queried. This is the settlement amount calculated to ensure recovery of fixed costs (start up or no-load costs) across a Billing Period.

Where to check for items to query?

Data	Source
Physical Notifications	REPT_052: Physical Notifications / REPT_089: Final Physical Notifications
Accepted Bid Offer Quantities	REPT_044: Settlement Report
Accepted Bid Offer Prices	REPT_044: Settlement Report
Day-ahead Trade Quantities	REPT_044: Settlement Report
Intraday Trade Quantities	REPT_044: Settlement Report
Metered Generation / Demand	REPT_044: Settlement Report
Dispatch Quantities	REPT_068: Dispatch Quantity / REPT_044: Settlement Report
The application of Imbalance Prices	REPT_008: Imbalance Price Report
The application of Imbalance Settlement Prices	REPT_009: Imbalance Price Report / REPT_044: Settlement Report
The application of Market Back Up Prices	REPT_008: Imbalance Price Report
Curtailment Prices	REPT_043: Settlement Report
Availabilities	REPT_082: Average Outturn Availability
Fixed Cost Payments or Charges	REPT_043: Settlement Statement
Capacity Payments or Charges	REPT_043: Settlement Statement

Topic 3: Timelines and process for submitting a Settlement Query

Timelines and process for submission

- A Settlement Query for data in a period can be submitted at any time after the publication of indicative Settlement Statements relevant to that period **up to 20 working days after the publication of the last Settlement Statements** relevant to that period (i.e., for the M+13 settlement re-run or any additional ad-hoc run that has taken place afterwards).
- Formal Queries must be submitted using the form to be made available on the SEMO website.
- This will follow the format used under Part A (set out in the relevant Agreed Procedure) of the TSC.
- Submissions are accepted by e-mail or Fax.

Timelines and process for submission

- Participant must include:

1. *Date submitted,*
2. *Participant details,*
3. *Settlement Statement details (dates, references number),*
4. *Description of the Query (i.e., Imbalance Component not calculated correctly),*
5. *Query Details (i.e., set out specifics to identify which component of the calculation was applied incorrectly),*
6. *Additional supporting documents,*
7. *Signed by appropriate Authorised Representative.*

1	SETTLEMENT / DATA QUERY FORM	Type of Query SETTLEMENT / DATA						
	<i>To be completed by Market Operator</i> Market Operator's Query Ref _____ Date Received _____ Form Checked _____	<i>To be completed by Participant</i> Participant's Query Ref _____ Date Sent _____						
2	PARTICIPANT INFORMATION Participant Name _____ Participant id _____							
3	SETTLEMENT STATEMENT DETAILS Settlement Statement Number _____ Run Type Initial / Rerun 1 / Rerun 2 / Adhoc Settlement Days in Statement _____ (Only for Settlement Query -Delete as appropriate) <small>For Capacity month/year; For Energy dd/mm/yy to dd/mm/yy; For Data Query dd/mm/yy</small>							
4	Descriptive Overview of Query <i>(Provide a description of what the issue is e.g. the Units affected, the data items concerned, the incorrect charges, whether it is input data or the calculation the basis of the query(the evidence))</i>							
5	Query Details <i>Provide specific details of the items in the Settlement Statement being queried including where appropriate the Supplier/ Generator Unit, the meter ids, the half hours (day and half hour ending time), the specific charge item affected)</i>							
6	<table border="1"> <thead> <tr> <th>Additional Supporting Documents provided:</th> <th>Title</th> <th>No of Pages</th> </tr> </thead> <tbody> <tr> <td colspan="3"><i>Specify Title and number of pages for each supporting document</i></td> </tr> </tbody> </table>		Additional Supporting Documents provided:	Title	No of Pages	<i>Specify Title and number of pages for each supporting document</i>		
Additional Supporting Documents provided:	Title	No of Pages						
<i>Specify Title and number of pages for each supporting document</i>								
7	Authorised Representative (on behalf of Participant) Date _____ Name _____ Signature _____ Password _____							

Timelines and process for submission

- On “**Additional Supporting Documents**”, these are not required but can prove extremely helpful in a speedy resolution of your Query.
- The more data provided to the Market Operator, the quicker the issue can be identified and resolved.
- Additional Supporting Documents could be system screenshots, shadow settlement calculations in spreadsheets, word documents, etc.
- Once all relevant sections have been completed, the Market Operator will log and acknowledge the Query within 1 working day.
- Where the submission is incomplete, this will be rejected by the Market Operator.
- Rejected queries **may be resubmitted** as appropriate once the reasons for rejection have been addressed.

Topic 4: Timelines for resolving a Settlement Query

Timelines for resolving a Settlement Query

- The Market Operator has a period of **20 Working Days** to investigate and resolve Settlement Queries.
- Note that where a query involves data provided to the Market Operator by an **External Data Providers** (e.g., Meter Data Providers, SEM NEMOs, etc.), the Market Operator will need to liaise with these external parties during the 20 Working Day period.
- This can lead to circumstances where it may not appear possible to resolve the query within the allowed timelines.
- In these cases, the Market Operator will request from the submitting Participant an **extension** of no more than **10 Working days** to the timeline to resolve the query.
- The Participant should respond to this within **1 Working Day**.

Timelines for resolving a Settlement Query

- During the query resolution period:
 - The MO will request confirmation of inputs from External Data Providers as required.
 - The MO will review the data inputs to the relevant settlement calculations.
 - This is to confirm whether any clear errors can be identified in the input data (or if an External Data Provider has confirmed an issue with their data submission).
 - The MO may complete an offline recalculation of the relevant calculations making use of spreadsheets and other tools.
 - The MO will then assess the results of the offline calculation. This will confirm whether the Settlement Query should be **upheld** (assessment has identified that original calculations were not correct) or not (original calculations are confirmed as correct).
 - Where the Settlement Query is not upheld, the submitting Participant is notified of the outcome. Supporting documentation, such as the offline recalculations, may also be provided.

Contd.

Timelines for resolving a Settlement Query

- During the query resolution period:
 - Where the Settlement Query is upheld, the MO will assess the materiality of the error applying the **Settlement Recalculation Threshold** and the materiality .
 - The Settlement Recalculation Threshold is set at **€15,000** for the go-live of the I-SEM and applies to either a **Settlement Statement** or **Settlement Document**.
 - This is an **annually** set **parameter** and can be updated as part of the **annual parameters** consultation process.
 - The **Materiality Threshold** is set at €50,000 for a single Settlement Statement (e.g., daily).
 - This is a value determined in the Trading & Settlement Code and changeable by **modification only**.
 - Both values are used in assessing if and when a settlement rerun is done.

Assessing the results of an upheld Query

- Where the difference arising from an upheld Settlement Query **is less than** the Settlement Recalculation Threshold, settlement **is not** recalculated.
- Where there are still timetabled Settlement Reruns to be executed, settlement recalculations will be carried out as part of these and **amounts relating to upheld queries will be updated**.
- If there are no timetabled Settlement Reruns, there will be **no ad-hoc Settlement Rerun** scheduled in this circumstance.
- Where the difference arising from an upheld Settlement Query **is greater than** the Settlement Recalculation Threshold, settlement **is** recalculated.
- Where the difference arising from an upheld Settlement Query **is greater than** the Settlement Recalculation Threshold **but less than** the Materiality Threshold, this is amended in the **next timetabled Settlement Rerun** or in a new ad-hoc Settlement Rerun if there are no more timetabled runs scheduled.
- Where the difference arising from an upheld Settlement Query **is greater than** the Settlement Recalculation Threshold **and greater than** the Materiality Threshold, an ad-hoc Settlement Rerun is scheduled to address the issue.

Actions where a Settlement Query is upheld

- The submitting Participant will be notified when a Settlement Query is upheld. This notification will provide details of the error and may include supporting documentation from the MO supporting its assessment of the Query's materiality against the Settlement Recalculation Threshold and the Materiality Threshold.
- The Participant will be advised as part of this process whether the settlement calculations are to be updated as part of a timetabled Settlement Rerun or an ad-hoc Settlement Rerun.
- All Participants and External Data Providers are advised when an ad-hoc Settlement Rerun is added to the schedule.
- This must be completed within 20 working days of either the submission of revised data from External Data Providers (as applicable) or the MO resolution of the Settlement Query (if no revised external data is required).

Where a Settlement Query becomes a Dispute

- There are three points at which a Settlement Query can become a dispute.
- Each of these relate to the resolution of the query by the MO.
 - If the MO **fails to provide a response** to the submitting Participant according to the timelines in the Code; e.g., by 20 working days (or 30 working days in an extension was requested and **granted by the submitting Participant**).
 - If the **query is not upheld** and the submitting Participant does not accept the MO's findings.
 - If the query was upheld but the submitting Participant **does not accept the MO's assessment of the materiality** of the issue.
- Within **5 working days**, the submitting Participant **must** submit a **notice of Dispute** to trigger a **Settlement Dispute**. The issue is then addressed under the Dispute process.

Topic 5: Summary

Review of Learning Objectives

As a result of completing part 1 of this course, you should now understand:

What you can query



The timelines and process for submitting a Settlement Query



The timelines and process for responding by the MO



What actions can be taken when a Settlement Query is resolved



Part 2: SEMO Query Management under the Capacity Market Code

Modules

Part 2: SEMO Query Management under the Capacity Market Code

Topic 1: Introduction to CMC process

Topic 2: Timeline and process for submitting a query

Topic 3: Course Summary

Learning Objectives

- By the end of this training session you should understand with respect to the **Capacity Market Code**:
 - *What you can query*
 - *The timelines and process for submission*
 - *The timelines and process for responding by the TSO*
 - *Further action post resolution of a submission*

Topic 1: Introduction to CMC process

Introduction to formal Query Management

- The process under the **Capacity Market Code** (CMC) is different from that outlined for the Trading & Settlement Code.
- The **CMC** does not envisage a formal query process in the same manner as that set out in the Trading & Settlement Code due to the nature of the issues being covered.
- The TSC deals mostly with ex-post settlement and items that may be recalculated up to thirteen months after the original delivery date.
- The CMC deals with ex-ante processes that happen in advance of delivery, i.e. – pre-auction events such as **qualification**.
- The timelines that support the CMC processes drive a stricter process and do not provide for the long ex-post timelines (e.g., post M+13) that settlement can support.

Topic 2: Timeline and process for submitting a query

What can be queried?

- There are no formal “Queries” under the CMC but Participants can request review of certain decisions of the TSOs.
- This is limited to the **Provisional SO Qualification Decisions** only.
- In advance of a Capacity auction, Participants are required to submit an Application for Qualification to the TSOs.
- This process has been detailed in the Capacity Market training presentations.
- The timing of events is defined by the **Capacity Auction Timetable** which is published in advance of each Capacity Auction.
- This will identify **Prescribed Timeframes** for each action that takes place in the query / review process.

What can be queried?

- **SO Qualification Decisions** in respect of a **Capacity Market Unit** include:
 - Its identity.
 - Whether or not it is clean (used only in auction tie-breaking).
 - the Firm Offer Requirement (as applicable).
 - The Awarded Capacity it holds already for the Capacity Year.
 - Details of Initial Capacity, Gross De-Rated Capacity, Awarded Capacity held already, and Net De-Rated Capacity in respect of Existing and New Capacity.
- For each **Candidate Unit** comprising the **Capacity Market Unit**:
 - Similar information to that above which was used to derive the data for the Capacity Market Unit (though not Awarded Capacity as this is only awarded to Capacity Market Units).
 - Whether the Alternative Qualification Process was applied and details of any changed data used.
 - The Autoproducer Offer Price Cap Breakpoint (where applicable).
 - A curve called the Existing Capacity Offer Price Cap Curve, which describes the price cap at different points of existing capacity (but not Unit Specific Price Cap data).

What can be queried?

- Where a Participant disagrees with **Provisional SO Qualification Decisions**, they can submit an **Application for Review** to the System Operators.
- This should set out:
 - a) a concise statement identifying the Reviewable Decision concerned;
 - b) a concise statement of the reasons, explaining how the Participant believes the System Operators have not followed the process under the Code in making the Reviewable Decision; and
 - c) a copy of any relevant documents which the Participant believes support its position
- This must be submitted within the **Prescribed Timeframe** of being notified of the **Reviewable Decision**.
- Each **Prescribed Timeframe** is documented in the applicable **Capacity Auction Timetable**.

What can be queried?

- An **Application for Review** can be rejected by the System Operator where it does not fulfil the previous requirements.
- A rejection by the SO must be notified within a further **Prescribed Timeframe**.
- The SO can request further information from the submitting Participant which must be provided for according to a further **Prescribed Timeframe**.
- Once all data has been received, the SO will reconsider the initial decision and notify the submitting Participant of the results of this process within a further **Prescribed Timeframe**.
- Where the outcome is to reject the Application for Review, the submitting Participant can submit a notice of a **Qualification Dispute**.
- This is then managed under the Capacity Market Disputes process.

What can be queried?

- As noted, the exact **Prescribed Timeframe** is documented in the applicable **Capacity Auction Timetable**. However, **indicative** timeframes are proposed by the CMC.
- The indicative timelines are as follows:
 - An Application for Review should be submitted **2 working days after the decision has been notified**.
 - Rejection by the SO should be **2 working days after submission**.
 - Submission of additional information by the Participant to the SO should be **2 working days after request from SO**.
 - SO must notify the outcome of its review **5 working days after either submission of Application for Review** (or after submission of additional information if requested).
 - Any dispute must be raised **3 working days after notification of outcome** of the review.

Topic 3: Summary

Review of Learning Objectives

As a result of completing part 2 of this course, you should now understand:

What you can query



The process for submission



The process for responding by the TSO



Further action post resolution of a submission

