

Single Electricity Market

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| Modifications Committee Meeting Minutes  Extraordinary Meeting 96  conference call  18 december 2019  11.30am – 1.30pm |

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Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 20 December 2019 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 7 January 2020 | Modifications Committee Secretariat | Committee and Observer review complete |

Distribution List

|  |  |
| --- | --- |
| **Name** | **Organisation** |
| Modifications Committee Members | SEM Modifications Committee |
| Modification Committee Observers | Attendees other than Modifications Panel in attendance at Meeting |
| Interested Parties | Modifications & Market Rules registered contacts |

Reference Documents

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| --- |
| **Document Name** |
| [Trading & Settlement Code & Agreed Procedures V21.0](https://www.sem-o.com/rules-and-modifications/balancing-market-modifications/market-rules/) |
| [Mod\_23\_19 Proposal](https://www.sem-o.com/documents/market-modifications/Mod_23_19/Mod_23_19ModificationtoallowtheMarektOperatortoseekrelieffromanobligationunderSectionE.3oftheTSCinexceptionalCircumstances(unitJanaury2021).docx) |
| [Mod\_23\_19 Proposal](https://www.sem-o.com/documents/market-modifications/Mod_23_19/Mod_23_19ModificationtoallowtheMarketOperatortoseekrelieffromanobligationunderSectionE.3.8oftheTSCinexceptionalCircumstances.docx) |
| [Mod\_23\_19 Presentation](https://www.sem-o.com/documents/market-modifications/Mod_23_19/Mod_23_19Presentation.pptx) |
| [Mod\_24\_19 Proposal](https://www.sem-o.com/documents/market-modifications/Mod_24_19/Mod_24_19-AmendmentstoUnsecuredBadDebtandSuspensionProvisionsRelatedtoSupplierofLastResort.docx) |
| [Mod\_24\_19 Presentation](https://www.sem-o.com/documents/market-modifications/Mod_24_19/Mod_24_19-AmendmentstoUnsecuredBadDebtandSuspensionProvisionsRelatedtoSupplierofLastResort.pptx) |
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In Attendance

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| --- | --- | --- |
| Name | Company | Position |
| **Modifications Committee (voting members)** | | |
| Rochelle Broderick | Budget Energy | Supplier Alternate |
| Jim Wynne | Electric Ireland | Supplier Member |
| Ian Mullins | Bord Gais Energy Ltd | Supplier Member |
| Robert McCarthy | Electricity Exchange | DSU Alternate |
| Alan Mullane | ElectroRoute | Assetless Member |
| Kevin Hannafin | Energia | Generator Member |
| Cormac Daly | Tynagh Energy | Generator Member |
| Paraic Higgins (Chair) | ESB | Generator Member |
| Eamonn Boland | Brookfield Renewable | Supplier Alternate |
| Sinead O’Hare | Power NI PPB | Generator Member |
| **Modifications Committee (non-voting members)** | | |
| Gemma McHale | NIE Networks | MDP Alternate |
| Anne Trotter | EirGrid | TSO Member |
| Barry Hussey | CRU | RA Member |
| Andrew Burke | IWEA | Supplier Member |
| Katia Compagnoni | SEMO | MO Alternate |
| Christopher Goodman | SEMO | MO Member |
| Karen Shiels | Utility Regulator | RA Alternate |
| Mark Phelan | Electric Ireland | Observer |
| **Secretariat** | | |
| Esther Touhey | SEMO | Secretariat |
| Sandra Linnane | SEMO | Secretariat |
| **Observers** | | |
| Stacy Feldmann | SSE | Observer |

# SEMO Update

The Secretariat welcomed all to Extraordinary Modifications Committee Meeting 96 to deal with the two Modification Proposals on the agenda one of which had been submitted as ‘Urgent’ type.

# Deferred Modifications Proposals

## Mod\_23\_19 Modification to allow the market operator to seek relieft from an

## obligation under section e.3 of the tsc in exceptional circumstances

The Proposer provided an update on the Modification Proposal expressing the RAs view that the concerns of the Committee have been responded to by narrowing the scope of the Modification to paragraph E.3.8 on repricing, clarifying wording on the timeframes involved and clarifying that a consultation is required for any future derogation request.

A Generator Member believed that in order to have the industry on board a further step was required in the list of requirements for submission. He advised that a sixth step should be added to request a Modifications Committee vote of 9 to 1 in favour of derogation under B.14.1.7. The RAs agreed that the bar should be high for submission but felt that the requirement for a consultation was already reflected in the Modification Proposal and adding a trigger for a vote would not be appropriate, noting that this was not a feature in other similar mechanisms elsewhere. An Observer stated that in their view the revised proposal addressed their concerns with the initial version, particularly in the context of the requirement for industry consultation. A number of Committee Members echoed this point and noted that they were comfortable with the revised proposal.

There was another suggestion made by a Generator Member to limit the timeline that’s applicable in order to stop future derogations to the period up to June 2019. Both the Proposer and a number of Committee Members were happy with the changes that have been made by the proposers and there was agreement that the opportunity was there to take regard of the issue and trust that this Modification Proposal will allow for any potential future derogation to be treated appropriately while noting that there is not currently any expectation that any future derogation will be requested. The current timelines allow for a degree of flexibility should another serious issue arise before the full re-pricing system is operational.

A question was raised by another Generator Member regarding timelines of 12 months around applying for derogation. The RAs clarified that the 12 month timeline referred relates to the period affected by a derogation as opposed to the timeline for the proposed Modification to allow for a derogation to be requested.

A Generator Member indicated their frustration that industry was given strong assurances that a key system functionality like repricing was available for Go-Live yet the Modifications Committee are being asked to vote on a modification that could be viewed as being in conflict with B.17.24 (Retrospective Condition). SEMO acknowledged the frustration and highlighted that SEMO have worked hard to address the issue.

The committee agreed to move to a vote.

Decision

The proposal was Recommended for Approval.

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| **Recommended for Approval** |

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| --- | --- | --- |
| **Recommended for Approval by Majority Vote** | | |
| Ian Mullins | Supplier Member | Approve |
| Alan Mullane | Assetless Member | Approve |
| Rochelle Broderick | Supplier Alternate | Approve |
| Cormac Daly | Generator Member | Abstain |
| Eamonn Boland | Supplier Alternate | Approve |
| Jim Wynne | Supplier Member | Approve |
| Kevin Hannafin | Generator Member | Approve |
| Paraic Higgins (Chair) | Generator Member | Reject |
| Sinead O’Hare | Generator Member | Approve |
| Robert McCarthy | DSU Alternate | Approve |

**Actions:**

* Secretariat to draft Final Recommendation Report – **Open**

## Mod\_24\_19 amendments to unsecured bad debt and suspension provisions

## related to supplier of last resort

The Proposer gave a brief background on the Modification Proposal and confirmed that 2 actions were taken by SEMO from Modification Committee Meeting 95.

The Proposer addressed the first action regarding communications between SEMO and MDPs where a SoLR event occurs. It was advised that the processes were looked at and a notification is issued to SEMO when a SoLR event initially occurs and once all meters have been transferred. The Proposer gave assurance that it can also be effectively monitored by SEMO in the interim based on metered data submissions.

The Proposer noted the second action which requested a review of timelines for payment of recovered monies and to consider submitting a version 2 of this Modification Proposal if required based on this review. The rules were reviewed and it was confirmed that no change to the original Modification Proposal was needed since the existing provisions require SEMO to pay recovered monies immediately in accordance with G.2.7.10. It was confirmed that this was the case whether or not the Unsecured Bad Debt relates to a Supplier of Last Resort event and that the operational process reflects these timelines. The Committee agreed to move to a vote.

Decision

The proposal was Recommended for Approval.

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| **Recommended for Approval** |

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| **Recommended for Approval by Unanimous Vote** | | |
| Ian Mullins | Supplier Member | Approve |
| Alan Mullane | Assetless Member | Approve |
| Rochelle Broderick | Supplier Alternate | Approve |
| Cormac Daly | Generator Member | Approve |
| Eamonn Boland | Supplier Alternate | Approve |
| Jim Wynne | Supplier Member | Approve |
| Kevin Hannafin | Generator Member | Approve |
| Paraic Higgins (Chair) | Generator Member | Approve |
| Sinead O’Hare | Generator Member | Approve |
| Robert McCarthy | DSU Alternate | Approve |

**Actions:**

* Secretariat to draft Final Recommendation Report – **Open**

# AOB/upcoming events

The Secretariat thanked all for attending Extraordinary Modifications Committee Meeting 96 and confirmed that the next Meeting will be held on Thursday, 20th February 2020.