



Single Electricity Market

FINAL RECOMMENDATION REPORT

MOD_04_25 AMENDMENT TO PAYMENT DEFERRAL

11 NOVEMBER 2025

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Document History

Version	Date	Author	Comment
1.0	17 th Nov 2025	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0	19 th Nov 2025	Modifications Committee Secretariat	Issued to Regulatory Authorities for final decision

Reference Documents

Document Name
Trading and Settlement Code Proposal Presentation Example
Presentation 11.11.25

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1. MODIFICATIONS COMMITTEE RECOMMENDATION

RECOMMENDED FOR APPROVAL – UNANIMOUS VOTE

Recommended for Rejection by Unanimous Vote		
Andrew Burke (Chair)	Renewable Generator Member	Approve
Nick Brown	Supplier Alternate	Approve
David Caldwell	Supplier Member	Approve
Andrew Kelly	Generator Member	Approve
Harry Molloy	Generator Member	Approve
David Morrow	Generator Member	Approve
Eoin Murphy	Assetless Member	Approve
Cormac Daly	DSU Member	Approve
Niamh Trant	Supplier Member	Approve
Peter Brett	Supplier Member	Approve

2. BACKGROUND

This Urgent Modification Proposal was raised by SEMO and first received by the Secretariat on 29th October 2025. The Proposal was initially discussed as an AOB at Emergency Meeting 131B, and further discussions and a vote took place at Meeting 131B on Tuesday, 11th November 2025.

With this Urgent Modification, SEMO is trying to address potential issues identified with the calculation of Payment Deferral and is proposing a more harmonised, equitable approach for the Market. Although the occurrence of Payment Deferral in F.22.3 of the Trading & Settlement Code has not been required to date, SEMO believes the likelihood of utilising this section of the Code has increased in light of recent market outputs.

On the 22nd of October, SEMO received approval for an increase in the Contingent Capital Requirement from €150m to €200m. This was based on the forecasted outgoings for the SEM at that point. However, the increase in outgoings continued beyond expectations to the point that SEMO could exhaust even this increased level of funding which would lead to the enactment of Payment Deferral.

A review of the Payment Deferral calculation revealed realistic scenarios where Participants that were due to receive money in their Settlement Documents, would have been required to pay money in the market to cover the obligations under Payment Deferral.

SEMO believes that, should this happen, there is a real risk to businesses cash flow and ultimately their viability to maintain operations.

The current Payment Deferral methodology is only applicable to those registered Market Participants who provide Metered Generation to the grid. The implications of Payment Deferral are therefore confined to a subset of Market Participants and not harmonised across all those impacting the funding shortfall. SEMO believes that this is an inequitable and discriminatory method to implement Payment Deferral and will have a significant negative impact on a subset of Participants.

This Modification has been raised as Urgent because, at the current rate of outgoings, there is a plausible risk that SEMO would be required to enact the current Payment Deferral methodology before the timelines for raising a Standard Modification. As a prudent Market Operator, SEMO is of the opinion that should the calculation remain as it is written in the Code, it will produce unfair outcomes, therefore this Modification should be treated as Urgent under T&SC B.17.16:

if not made, it can reasonably be anticipated that the event or circumstance with which the Modification Proposal is concerned would imminently:

threaten or prejudice safety, security or reliability of supply of electricity; or

The example below shows a potential scenario where, due to the application of the current algebra for Payment Deferral, a Participant that would have expected a payment for its generation, is being required to provide payments to the Market.

The current methodology is only applicable to Market Participants who are due to receive a payment but have also provided Metered Generation to the grid. All Market Participants who are due to receive a payment but have not provided any Metered Generation to the grid are not impacted by the current Payment Deferral methodology within the T&SC.

The proposed modification will harmonise Payment Deferrals across all Market Participants who are due to receive a payment. SEMO deem this approach to be the most fair and equitable should a Payment Deferral scenario be required. As evinced in the examples below, the proposed methodology would assess the percentage shortfall relative to the available working capital. If there was a deficit of 25% with respect to all outgoing payments in comparison to the available working capital, then the proposed modification would apply a 25% reduction to all Participants due to receive a net payment from SEMO. In essence, the shortfall is applied to all Market Participants who are due to receive a net payment from SEMO.

As per current iteration of T&SC, Payment Deferral is calculated as per below: Payment

Available Working Capital Amount Minus the Settlement Document (SD) Amount

Multiplied by each participants Metered Generation* divided by total generation* on the island.

i.e. TSC currently refers Payment Deferral paragraph to algebra from Shortfalls and Unsecured Bad Debt in section G.2.7:

$$CCBDUE_{pb} = CBDUE_{pb} \times \frac{\sum_{y \text{ in } b} (\sum_{u \text{ in } p} \text{Max}(QM_{uy}, 0))}{\sum_p (\sum_{y \text{ in } b} (\sum_{u \text{ in } p} \text{Max}(QM_{uy}, 0)))}$$

In this Proposal, SEMO is only seeking to add a new algebra for Payment Deferral while leaving the Unsecured Bad Debt as is.

SEMO proposes revising the Payment Deferral algebra to ensure that all participants owed funds receive an evenly distributed, proportionally reduced payment. This Modification will impact all Participants who are due to receive payments from the market as per their Settlement Document i.e. including Generators, Assetless Units, Supplier Units etc. it will lead to a more equitable and non-discriminatory outcome as per the following example.

The below table is based upon a market shortfall of €20M which represents 25% less than the required working capital to issue all payments to market participants.

Based upon the current algebra, the Metered Generation is the catalyst for determining the deferral amounts applied to participants. The 'Original SD' column are the amounts owed to these participants

based on the Settlement Document. The 'Current Payment Deferral Logic' column indicates the amount these participants would be paid, or have to pay, based on the current Payment Deferral algebra. The 'Payment with new Algebra' column indicates the amount these participants would be paid based on the proposed modification.

Element:	Long Name:	Amount
AWCA	Available Working Capital Amount	€20,000,000
SDApbc	Aggregate Settlement Document	€40,000,000
SPSD	Summation of all Payments	€80,000,000
SLEpb + SLCCpb	Summation of all Charges	-€40,000,000

Example PT (Payments only)	Original SD	% Meter Generation	Current Payment Deferral Logic	% of reduction to Original SD	Payment with new algebra	% of reduction to Original SD	Comment
PT1	€30,000,000	6%	€28,800,000	-4%	€22,500,000	-25%	PT with large SD amount and low Meter Gen %. Small reduction in SD (<10%) on current logic.
PT2	€15,000,000	6%	€13,800,000	-8%	€11,250,000	-25%	PT with large SD amount and low Meter Gen %. Small reduction in SD (<10%) on current logic.
PT3	€2,000,000	19%	-€1,800,000	-190%	€1,500,000	-25%	PT with small SD amount and large Meter Gen %. Payment turns into charge on current logic.
PT4	€500,000	15%	-€2,500,000	-600%	€375,000	-25%	PT with small SD amount and large Meter Gen %. Payment turns into charge on current logic.
PT5	€5,500,000	0%	€5,500,000	0%	€4,125,000	-25%	PT with zero generation. No impact to SD on current logic.
PT6	€2,000,000	0%	€2,000,000	0%	€1,500,000	-25%	PT with zero generation. No impact to SD on current logic.
PT7	€5,000,000	15%	€2,000,000	-60%	€3,750,000	-25%	PT with small SD amount and large Meter Gen %. Large reduction in SD (>20%) on current logic.
PT8	€7,000,000	11%	€4,800,000	-31%	€5,250,000	-25%	PT with small SD amount and large Meter Gen %. Large reduction in SD (>20%) on current logic.
PT9	€8,000,000	10%	€6,000,000	-25%	€6,000,000	-25%	PT with small SD amount and large Meter Gen %. Large reduction in SD (>20%) on current logic.
PT10	€5,000,000	18%	€1,400,000	-72%	€3,750,000	-25%	PT with small SD amount and large Meter Gen %. Large reduction in SD (>20%) on current logic.
SPSD	€80,000,000	100%	€60,000,000	-25%	€60,000,000	-25%	

*Generation per billing week

3. PURPOSE OF PROPOSED MODIFICATION

3A.) JUSTIFICATION OF MODIFICATION

This Modification would not potentially penalise some Participants due the level of generation they produce and is seeking to evenly distribute the Payment Deferral amount across all Participants who are receiving Settlement Document payments.

3B.) IMPACT OF NOT IMPLEMENTING A SOLUTION

If not implemented and Payment Deferral scenario occurs, then some Participants could be negatively impacted in a disproportionate way such as example 2 above.

3C.) IMPACT ON CODE OBJECTIVES

The modification furthers the following code objective:

- to facilitate the efficient, economic and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner

This Modification would enable a fairer way to implement Payment Deferral to Market Participants if this scenario occurred.

4. WORKING GROUP AND/OR CONSULTATION

N/A

5. IMPACT ON SYSTEMS AND RESOURCES

There would be no immediate system updates required to facilitate this modification. If a payment deferral scenario arose, the Settlements team would produce a manual settlement documents and credit note for all impacted participants. SEMO may seek an Impact Assessment to automate the process in the future. This will be reported back to the Committee and will be subject to SEMC Approval

6. IMPACT ON OTHER CODES/DOCUMENTS

N/A

7. MODIFICATION COMMITTEE VIEWS

EMERGENCY MODIFICATIONS COMMITTEE MEETING 131C – 11 NOVEMBER 2025

The Chair introduced this Modification by clarifying that, although there is a lot of curiosity surrounding the reasons for this Modification, the Committee should concentrate solely on the matter detailed in the Proposal. The Proposer gave a [presentation](#) on this Modification Proposal addressing that T&SC. An overview was given on why this proposal was raised as urgent noting that in the last few weeks the average total Settlement

Document amount was €6.7 million, which related to the new financial year; should that level of payments continue and another event, such as a price event, there is a chance of having to call upon the payment deferral logic. It was advised that this level of outgoing was outside the forecast trends and the urgency related to the unexpected level of the last number of weeks.

The Proposer explained that the proposed changes would reduce the payment to each affected Participant according to their Settlement Document in relation to the total Market Payments. This was considered a more equitable and non-discriminatory outcome.

[Examples](#) were shown noting that charges would still remain the same and the updated algebra would reduce payments by applying an even spread.

The Chair asked when is the credit note paid back? Would participants have to wait until M+4/M+13 and would they lose the right to those payments if it went beyond M+13? The Proposer provided assurance that the pay back would happen as soon as the funds would become available, therefore likely to be within a matter of weeks and not related at all to M+4 or M+13.

A number of Members questioned how imminent this risk was and why the Committee were not notified of this sooner and if the Working Capital could be increased once again. The Proposer advised that the Working Capital had already been increased based on the forecast and the timelines might not allow to do it again promptly. It would not be possible to quantify the timing or the likelihood of this scenario happening, the increase in Working Capital has the Market currently covered; this proposal was raised as a prudent approach if a Price Event or other unplanned events were to occur and in that case a payment deferral may need to happen. Assurance was given that all options are being considered, including a mid-year increase in the tariff or a further request for additional Working Capital.

A Supplier Member also requested more advice on how much reduction in payment can be expected and for how long as risk assessments would have to be carried out and the figures shown are quite high. The Proposer advised that the example has been adapted to highlight the issue and should not be taken as real Market Data. It would not be possible to give an estimate of the size or duration of the deferral as it all depends on the specific circumstances. It will be ongoing until sufficient funds are in place to reverse the scenario.

SEMO Observer advised that there was an obligation on the Market Operator to notify all participants and the Regulatory Authorities if a payment deferral was required. It was confirmed that ideally a payment deferral may never be needed and this proposed modification was just in case it was required. There was an appreciation that participants would want ongoing updates and any information going forward and although the T&SC only mandate to inform the Market in case Payment Deferral is being enacted, the Market Operator will endeavour to provide updates as necessary.

A Supplier Member raised concerns about whether this approach was sufficiently transparent. A 20 Working Day (WD) notice period was also requested to flag a potential Payment Deferral with a potential Cap to be put in place and if SEMO could give insights into what publications and support would be given should that occur. The Proposer advised that SEMO were constantly monitoring the situation but would not be able to provide a notice of 20WD. The best indication that a Payment Deferral would be likely to occur would only be available once all Indicative runs for a given Billing Week would be completed; this would give approximately 1 week notice depending on circumstances. As for setting a Cap, this would prove very difficult as neither the duration or the size of the shortfall can be predicted. The Chair suggested that the purpose of this proposal should also be presented at the Market Operator User Group to make sure it is widely known and understood.

A Supplier Member gave support to this proposal noting that they had no objection to the change in methodology and although Suppliers were not directly affected, concerns were raised that the market is paying out much more than it expected. The latest published Imperfections report shows already a 12m increase in costs in Q4 and it was questioned whether the October outgoings indicated a further step up in that. It was asked if SEMO could negotiate the tariff change and if it would be possible to get the report on a more regular basis. The Proposer agreed that October represented a step up with a combination of other factors as well such as Metering Charges. It was advised that the Imperfection monitoring and tariff calculation is managed by another team but agreed to take an action to check what work is ongoing.

DSU Member questioned if there would be system changes and how long these would take. SEMO gave assurance that there were no system changes at this point, and this can be implemented outside the system. The process would be as follows: the Settlement Documents would be released on Friday, participants would pay in on Wednesday, and on the Thursday, payments out would be issued with the unchanged Settlement Document together with the Credit Note that would indicate the reduced amount. SEMO will seek to automate this process in the future through the change request process if possible.

DSU Member also raised concerns of why this issue was only discovered now, even though the algebra had been in place for years and asked if CR728 had anything to do with it or if any other Urgent Modification would be necessary. The Proposer advised that no further Urgent Modification Proposals were expected. The Proposal was originally intended to be raised as Standard once it was identified a few weeks ago, but the escalation of payments required this new approach. MO Member also explained that CR728 was linked to Unsecured Bad Debt which is not being affected by this proposal. Payment Deferral was originally only linked to instances of Bad Debt while this scenario was not expected due to the balancing nature of the Market. Attempts were made by SEMO to modify the Unsecured Bad Debt calculation during the I-SEM design phase albeit with a different approach to the one hereby proposed. That was not accepted at the time and the calculation remained unchanged. It would not have been envisaged that Payment Deferral could occur outside the Bad Debt scenario due to such high Imbalances. The calculation of Unsecured Bad Debt, or CR278 are unaffected and unrelated to this Modification.

Some Members referred to the graph in the Proposer slide pack and highlighted that Imbalances Payments in the period from Nov 2024 to Feb 2025 were even higher than they currently are and why did that not cause the same problems. The Proposer explained that the impacted periods had two significant storms which contributed to the high payments. It was also noted that the costs are cumulative, and the continued high payments issued in Settlement Documents in subsequent months

have had an impact on the Available Working Capital. It was questioned whether the positive impact of some elements, such as the reduction in the amount set aside for the Clean Energy Package that went from 3m to 700k, was eaten up by the higher payments.

Generator Member gave support to the changes but asked for more granular reporting. The Proposer made note of this and suggested that a graph could be presented at both the MOUG and the Committee meetings going forward. Also, a suggestion that Participants could be able to verify this on an ongoing basis with the published data, considering that the Clean Energy Package amount is fixed on a weekly basis and set at 700K since the start of the new Financial Year.

A suggestion was made by an Observer that algebra was left as it is because it introduces a risk for small Participants that do not participate in Ex-Ante. The Proposer advised that the previous logic would create great discrepancies in the Market with some Participants still receiving their full amounts while others would see their payments turned into charges and that would be an even bigger risk to the feasibility of the Market as the discrepancy with the expected payments would be unevenly distributed. All Participants that receive a Payment are party to the shortfall and it was the Proposer opinion that they should all be affected in an equal manner. Participants clearing in the Ex-ante timeframe would not be affected unless the Deferral event happen in a week where Capacity Payments are due. It was further explained that on a sample week it was observed that with the old algebra only approx. 108 PTs would have been affected by Payment reduction while with the new algebra they would have been 140 including Assetless etc. It means that there is a larger pool of PTs affected which makes it more equitable and fairer.

A Supplier Member reiterated that this is a complex area of the Code and that monitoring should continue even after the implementation of these changes to ascertain that no unintended consequences have been introduced.

The Committee Members agreed to proceed to a vote and the Chair concluded the Proceeding.

8. PROPOSED LEGAL DRAFTING

As per Appendix 1.

9. LEGAL REVIEW

N/A

1 IMPLEMENTATION TIMESCALE

It is recommended that this Urgent Modification is to become effective on the Settlement Day following the publication of the SEMC decision.

APPENDIX 1: MOD_04_25 AMENDMENT TO PAYMENT DEFERRAL

Proposer <i>(Company)</i>	Date of receipt <i>(assigned by Secretariat)</i>	Type of Proposal <i>(delete as appropriate)</i>	Modification Proposal ID <i>(assigned by Secretariat)</i>		
EirGrid	29th October 2025	Urgent	Mod_04_25		
Contact Details for Modification Proposal Originator					
Name	Telephone number	Email address			
John Tracey	-				
Modification Proposal Title					
Amendment to Payment Deferral					
Documents affected <i>(delete as appropriate)</i>	Section(s) Affected	Version number of T&SC or AP used in Drafting			
T&SC T&SC Glossary	F22.3.1	T&SC Version 30 T&SC Glossary Version 30			
Explanation of Proposed Change <i>(mandatory by originator)</i>					
With this Urgent Modification, SEMO is trying to address potential issues identified with the calculation of Payment Deferral and is proposing a more harmonised, equitable approach for the Market. Although the occurrence of Payment Deferral in F.22.3 of the Trading & Settlement Code has not been required to date, SEMO believes the likelihood of utilising this section of the Code has increased in light of recent market outputs. On the 22nd of October, SEMO received approval for an increase in the Contingent Capital Requirement from €150m to €200m. This was based on the forecasted outgoings for the SEM at that point. However, the increase in outgoings continued beyond expectations to the point that SEMO could exhaust even this increased level of funding which would lead to the enactment of Payment Deferral. A review of the Payment Deferral calculation revealed realistic scenarios where Participants that were due to receive money in their Settlement Documents, would have been required to pay money in the market to cover the obligations under Payment Deferral. SEMO believes that, should this happen, there is a real risk to businesses cash flow and ultimately their viability to maintain operations. The current Payment Deferral methodology is only applicable to those registered Market Participants who provide Metered Generation to the grid. The implications of Payment Deferral are therefore confined to a subset of Market Participants and not harmonised across all those impacting the funding					

shortfall. SEMO believes that this is an inequitable and discriminatory method to implement Payment Deferral and will have a significant negative impact on a subset of Participants.

This Modification has been raised as Urgent because, at the current rate of outgoings, there is a plausible risk that SEMO would be required to enact the current Payment Deferral methodology before the timelines for raising a Standard Modification. As a prudent Market Operator, SEMO is of the opinion that should the calculation remain as it is written in the Code, it will produce unfair outcomes, therefore this Modification should be treated as Urgent under T&SC B.17.16 :

if not made, it can reasonably be anticipated that the event or circumstance with which the Modification Proposal is concerned would imminently:

threaten or prejudice safety, security or reliability of supply of electricity; or

The example below shows a potential scenario where, due to the application of the current algebra for Payment Deferral, a Participant that would have expected a payment for its generation, is being required to provide payments to the Market.

The current methodology is only applicable to Market Participants who are due to receive a payment but have also provided Metered Generation to the grid. All Market Participants who are due to receive a payment but have not provided any Metered Generation to the grid are not impacted by the current Payment Deferral methodology within the T&SC.

The proposed modification will harmonise Payment Deferrals across all Market Participants who are due to receive a payment. SEMO deem this approach to be the most fair and equitable should a Payment Deferral scenario be required. As evinced in the examples below, the proposed methodology would assess the percentage shortfall relative to the available working capital. If there was a deficit of 25% with respect to all outgoing payments in comparison to the available working capital, then the proposed modification would apply a 25% reduction to all Participants due to receive a net payment from SEMO. In essence, the shortfall is applied to all Market Participants who are due to receive a net payment from SEMO.

As per current iteration of T&SC, Payment Deferral is calculated as per below: Payment

Available Working Capital Amount Minus the Settlement Document (SD) Amount

Multiplied by each participants Metered Generation* divided by total generation* on the island.

i.e. TSC currently refers Payment Deferral paragraph to algebra from Shortfalls and Unsecured Bad Debt in section G.2.7:

$$CCBDUE_{pb} = CBDUE_{pb} \times \frac{\sum_{y \text{ in } b} (\sum_{u \text{ in } p} \text{Max}(QM_{uy}, 0))}{\sum_p (\sum_{y \text{ in } b} (\sum_{u \text{ in } p} \text{Max}(QM_{uy}, 0)))}$$

In this Proposal, SEMO is only seeking to add a new algebra for Payment Deferral while leaving the Unsecured Bad Debt as is.

SEMO proposes revising the Payment Deferral algebra to ensure that all participants owed funds receive an evenly distributed, proportionally reduced payment. This Modification will impact all Participants who are due to receive payments from the market as per their Settlement Document i.e. including Generators, Assetless Units, Supplier Units etc. it will lead to a more equitable and non-discriminatory outcome as per the following example.

The below table is based upon a market shortfall of €20M which represents 25% less than the required working capital to issue all payments to market participants.

Based upon the current algebra, the Metered Generation is the catalyst for determining the deferral amounts applied to participants. The 'Original SD' column are the amounts owed to these participants based on the Settlement Document. The 'Current Payment Deferral Logic' column indicates the amount these participants would be paid, or have to pay, based on the current Payment Deferral algebra. The 'Payment with new Algebra' column indicates the amount these participants would be paid based on the proposed modification.

Element:	Long Name:	Amount
AWCA	Available Working Capital Amount	€20,000,000
SDApbc	Aggregate Settlement Document	€40,000,000
SPSD	Summation of all Payments	€80,000,000
SLEpb + SLCCpb	Summation of all Charges	-€40,000,000

Example PT (Payments only)	Original SD	% Meter Generation	Current Payment Deferral Logic	% of reduction to Original SD	Payment with new algebra	% of reduction to Original SD	Comment
PT1	€30,000,000	6%	€28,800,000	-4%	€22,500,000	-25%	PT with large SD amount and low Meter Gen %. Small reduction in SD (<10%) on current logic.
PT2	€15,000,000	6%	€13,800,000	-8%	€11,250,000	-25%	PT with large SD amount and low Meter Gen %. Small reduction in SD (<10%) on current logic.
PT3	€2,000,000	19%	-€1,800,000	-190%	€1,500,000	-25%	PT with small SD amount and large Meter Gen %. Payment turns into charge on current logic
PT4	€500,000	15%	-€2,500,000	-600%	€375,000	-25%	PT with small SD amount and large Meter Gen %. Payment turns into charge on current logic
PT5	€5,500,000	0%	€5,500,000	0%	€4,125,000	-25%	PT with zero generation. No impact to SD on current logic
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PT8	€7,000,000	11%	€4,800,000	-31%	€5,250,000	-25%	PT with small SD amount and large Meter Gen %. Large reduction in SD (>20%) on current logic.
PT9	€8,000,000	10%	€6,000,000	-25%	€6,000,000	-25%	PT with small SD amount and large Meter Gen %. Large reduction in SD (>20%) on current logic.
PT10	€5,000,000	18%	€1,400,000	-72%	€3,750,000	-25%	PT with small SD amount and large Meter Gen %. Large reduction in SD (>20%) on current logic.
SPSD	€80,000,000	100%	€60,000,000	-25%	€60,000,000	-25%	

*Generation per billing week

Legal Drafting Change

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

F.22.3.1 Notwithstanding anything else in this Code:

the maximum aggregate amount that the Market Operator is required to pay Participants in respect of any Billing Period by way of Settlement Payments is equal to the Available Working Capital Amount for that Billing Period to the extent that amount is positive;

the Market Operator shall have no liability to pay Settlement Payments in respect of a Billing Period to the extent that doing so would result in the Available Working Capital Amount for that Billing Period being negative;

each Participant agrees that the Market Operator shall be entitled to reduce payments to Participants under this Code in order to give effect to paragraphs F.22.3.1(a) and (b), and ~~in so doing, so far as practicable and mutatis mutandis, apply the provisions of section G.2.7.3, G.2.7.4, G.2.7.5, G.2.7.6 and G.2.7.7 as if the shortfall was an Unsecured Bad Debt (and ignoring references to the Defaulting Participant(s), a Default and Default Interest); and~~

~~the Market Operator shall procure that any reduction in the amount payable to a Participant p for Billing Period b due to Payment Deferral (CPDA) shall be calculated as follows:~~

$$CPDA = \left(AWCA - \sum_p SDA_{pbc} \right) \times \frac{SPSD}{\sum_p SPSPD}$$

~~where:~~

~~AWCA is Available Working Capital Amount;~~

~~SDA_{pbc} is Aggregate Settlement Document amount covering Trading Payments, Trading Charges, Capacity Payments and Capacity Charges (SDA_{pbc}) for Participant p for each Billing Period b and Capacity Period c calculated in accordance with paragraph G.5.7.5;~~

~~SPSD is Settlement Payments calculated by the Market Operator as being payable to Participants for that Billing Period;~~

~~$\sum_p$ is the summation across all Participants p.~~

all Participants agree that the payment of a reduced amount in place of the unadjusted amount in accordance with this paragraph F.22.3.1 does not constitute a breach or default of this Code on the part of the Market Operator.

Amendments to T&SC Glossary:

Topic:	Element:	Long Name:	Definition/Description:	Units:
Variable	AWCA	Available Working Capital Amount	For a Billing Period, means the amount calculated under Paragraph F.22.2.2.	€
Variable	CPDA	Payment Deferral Amount Reduction	Reduction for Participant p, in a Billing Period b, due to Payment Deferral	€
Variable	SPSD	Settlement Payments in Settlement Document	Settlement Payments calculated by the Market Operator as being payable to Participants for that Billing Period	€
Modification Proposal Justification <i>(Clearly state the reason for the Modification)</i>				
This Modification would not potentially penalise some Participants due the level of generation they produce and is seeking to evenly distribute the Payment Deferral amount across all Participants who are receiving Settlement Document payments.				
Code Objectives Furthered <i>(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)</i>				
The modification furthers the following code objective: to facilitate the efficient, economic and coordinated operation, administration and development of the Single Electricity Market in a financially secure manner 1. This Modification would enable a fairer way to implement Payment Deferral to Market Participants if this scenario occurred.				
Implication of not implementing the Modification Proposal <i>(State the possible outcomes should the Modification Proposal not be implemented)</i>				
If not implemented and Payment Deferral scenario occurs, then some Participants could be negatively impacted in a disproportionate way such as example 2 above.				
Working Group <i>(State if Working Group considered necessary to develop proposal)</i>		Impacts <i>(Indicate the impacts on systems, resources, processes and/or procedures)</i>		

No working group required to develop proposal.	There would be no immediate system updates required to facilitate this modification. If a payment deferral scenario arose, the Settlements team would produce a manual settlement documents and credit note for all impacted participants. SEMO may seek an Impact Assessment to automate the process in the future. This will be reported back to the Committee and will be subject to SEMC Approval
<i>Please return this form to Secretariat by email to modifications@sem-o.com</i>	