

18 December 2025

Our Ref: OSC-C-25-083

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

SEM Committee Decision for the Regulatory Authorities in relation to Mod_03_25 '*Treatment of Reliability Option Difference Payments for Hours Exhausted Units*' (Final Recommendation FRR_03_25)

Dear Esther,

On the 19th of November 2025, the Modifications Committee submitted its Final Recommendation Report (FRR) regarding Modification Proposal Mod_03_25 '*Treatment of Reliability Option Difference Payments for Hours Exhausted Units*' in accordance with Paragraph B.17.18.1 of the SEM Trading and Settlement Code (TSC). Modification Proposal Mod_03_25 was submitted to the Modifications Committee by EP NI Energy on the 14th of October 2025. The Proposer requested that Mod_03_25 be treated as Urgent. Modification Proposal Mod_03_25 was determined by the Regulatory Authorities to be an Urgent Modification under paragraph B.17.16.3 of the TSC and it was discussed and voted on at Emergency Modifications Committee Meeting 131B on the 4th of November 2025. The Modifications Committee voted to recommend this Modification Proposal for rejection.

This Modification Proposal would introduce a new term in the TSC for units which have exhausted run hours permissible under environmental permits issued by either the Environmental Protection Agency or the Northern Ireland Environmental Agency. These units would be identified in the TSC as 'Hours Exhausted'. This Modification Proposal further proposed that Hours Exhausted units would not be liable for Non-Performance Difference Charges and that, where a Settlement Query has been raised in relation to these charges, all payments in the relevant Settlement Document would be suspended until the query is resolved and a settlement re-run has been completed.

The SEM Committee has read and carefully considered the FRR and in light of the recommendation of the Modifications Committee, has decided in accordance with Paragraph B.17.20 of the Trading and Settlement Code, to reject this Modification Proposal, as set out in Appendix 1 of FRR_03_25.

Yours sincerely,

(no signature required – sent by email)

Kevin Hagan
Manager
Wholesale Electricity Markets
Commission for Regulation of Utilities

Lisa Tate
Manager
Markets Directorate
Utility Regulator