

Single Electricity Market

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| Final REcommendation Report  Mod\_01\_14: Removal of obligation to publish Ex-Ante Margin  6 march 2014 |

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Document History

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| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 26 February 2014 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 06 March 2014 | Modifications Committee Secretariat | Issued to Regulatory Authorities for final decision |

Reference Documents

|  |
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| **Document Name** |
| [Trading and Settlement Code](http://semopub/MarketDevelopment/MarketRules/TSC.docx) |
| [Mod\_01\_14 Removal of obligation to publish Ex-Ante Margin](http://semopub/MarketDevelopment/ModificationDocuments/Mod_01_14%20Ex-Ante%20Margin.docx) |
| [Agreed Procedure 6](http://semopub/MarketDevelopment/MarketRules/AP06.docx) |

Table of Contents

[1. MODIFICATIONS COMMITTEE RECOMMENDATION 3](#_Toc380397587)

[**Recommended for Approval– unanimous Vote** 3](#_Toc380397588)

[2. Background 3](#_Toc380397589)

[3. PURPOSE OF PROPOSED MODIFICATION 3](#_Toc380397590)

[**3A.) justification of Modification** 3](#_Toc380397591)

[**3B.) Impact of not Implementing a Solution** 3](#_Toc380397592)

[**3c.) Impact on Code Objectives** 3](#_Toc380397593)

[4. Working Group and/or Consultation 3](#_Toc380397594)

[5. impact on systems and resources 3](#_Toc380397595)

[6. Impact on other Codes/Documents 4](#_Toc380397596)

[7. MODIFICATION COMMITTEE VIEWS 4](#_Toc380397597)

[**Meeting 53 – 06 february 2014** 4](#_Toc380397598)

[8. Proposed Legal Drafting 4](#_Toc380397599)

[9. LEGAL REVIEW 4](#_Toc380397600)

[10. IMPLEMENTATION TIMESCALE 4](#_Toc380397601)

[Appendix 1: Mod\_01\_14 removal of obligation to publish ex-ante margin 5](#_Toc380397602)

[appendix E: Data publication 5](#_Toc380397603)

[APPENDIX 2: Report Listing 7](#_Toc380397604)

# MODIFICATIONS COMMITTEE RECOMMENDATION

## Recommended for Approval– unanimous Vote

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| **Recommended for Approval by Unanimous Vote** | | |
| Aine Doran | Generator Alternate | Approved |
| Brian Mongan | Generator Alternate | Approved |
| Connor Powell | Supplier Alternate | Approved |
| Jill Murray | Supplier Member | Approved |
| Mary Doorly | Generator Alternate | Approved |
| Patrick Liddy | DSU Member | Approved |
| Philip Carson | Supplier Alternate | Approved |

# Background

This Modification Proposal was raised by SEMO and was received by the Secretariat on 22 January 2014. The modification proposes to remove the requirement to publish an ex-ante value for Margin in advance of a given month. There is a requirement in the T&SC (Appendix M.20) for the System Operators to determine values for the System Margin (Mh) in each Trading Period h in each Capacity Period 5 Working Days prior to each Capacity Period. This calculated Margin is subsequently used in the determination of the Loss of Load Probability table which is published. Currently, there is no facility to publish an ex-ante value for Margin in the Central Market System. The Modification Proposal was discussed at Meeting 53 on 06 February 2014 where it was voted on.

# PURPOSE OF PROPOSED MODIFICATION

## 3A.) justification of Modification

The ex-ante value for Margin provided by the System Operators is not published in the Central Market System and has not been since Market start. It would require a Central Market System change request to facilitate its publication and this would incur a substantial cost. The associated ex-ante Loss of Load Probability is published. It is therefore proposed to remove the obligation on the Market Operator to publish an ex-ante value for Margin.

## 3B.) Impact of not Implementing a Solution

Should this modification proposal not be implemented, the Market Operator will remain in breach of the code for not publishing an ex-ante value of Margin.

## 3c.) Impact on Code Objectives

This modification aims to further Code Objective:

1.3.5: to provide transparency in the operation of the Single Electricity Market

# Working Group and/or Consultation

N/A

# impact on systems and resources

At Meeting 53, the DSU Member queried as to whether it was necessary for an IA to be procured. MO Member advised that if Participants wanted the ex-ante value for Margin published, system changes would be necessary and an IA would be necessary. MO Member further advised that an IA could be arranged if Participants felt it was necessary. The proposal as currently drafted and Recommended for Approval by the Modifications Committee at Meeting 53, does not have an impact on systems and/or resources.

# Impact on other Codes/Documents

N/A

# MODIFICATION COMMITTEE VIEWS

## Meeting 53 – 06 february 2014

MO Member provided overview of the modification advising that the proposal proposes to remove the requirement to publish an ex-ante value for Margin in advance of a given month. There is a requirement in the T&SC (Appendix M.20) for the System Operators to determine values for the System Margin (Mh) in each Trading Period h in each Capacity Period 5 Working Days prior to each Capacity Period. This calculated Margin is subsequently used in the determination of the Loss of Load Probability table which is published. Currently, there is no facility to publish an ex-ante value for Margin in the Central Market System.

MO Member further advised that the issue was identified during the compliance audit and that the publication requirement has not been published since market go live and would require a system change.

DSU Member queried as to whether it was necessary for an IA to be procured. MO Member advised that if Participants wanted the ex-ante value for Margin published, system changes would be necessary and an IA would be necessary. MO Member further advised that an IA could be arranged if Participants felt it was necessary.

# Proposed Legal Drafting

As set out in Appendix 1 below.

# LEGAL REVIEW

Complete

# IMPLEMENTATION TIMESCALE

It is proposed that this Modification is implemented on a Trading Day basis with effect from one Working Day after an RA Decision is made.

# Appendix 1: Mod\_01\_14 removal of obligation to publish ex-ante margin

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| **MODIFICATION PROPOSAL FORM** | | | | | |
| **Proposer** | **Date of receipt** | | **Type of Proposal** | | **Modification Proposal ID** |
| **SEMO** | **22 January 2014** | | **Standard** | | **Mod\_01\_14** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Niamh Delaney** | | 1. **2370321** | | **niamh.delaney@sem-o.com** | |
| **Modification Proposal Title** | | | | | |
| **Removal of obligation to publish Ex-Ante Margin** | | | | | |
| **Documents affected** | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **T&SC APPENDIX E**  **AP 6** | | **APPENDIX E Table E.3**  **AP6 APPENDIX 2** | | **V14.0** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| The modification proposes to remove the requirement to publish an ex-ante value for Margin in advance of a given month. There is a requirement in the T&SC (Appendix M.20) for the System Operators to determine values for the System Margin (Mh) in each Trading Period h in each Capacity Period 5 Working Days prior to each Capacity Period. This calculated Margin is subsequently used in the determination of the Loss of Load Probability table which is published. Currently, there is no facility to publish an ex-ante value for Margin in the Central Market System. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| appendix E: Data publication  **Table E.3 – Data publication list part 3: updated Monthly**   | **Time** | **Item / Data Record** | **Term** | **Subscript** | | --- | --- | --- | --- | | **Monthly** |  |  |  | | Within five Working Days of its creation | Market Operator Performance Report |  |  | | By 10:00, at least one Working Day before start of Month | Monthly Maintenance Schedule – Generator Unit outages | -- | -- | | By 10:00, at least one Working Day before start of Month | Monthly Maintenance Schedule – Transmission System line outages |  |  | | By 10:00, at least one Working Day before start of Month | Monthly Load Forecast and assumptions | -- | -- | | By 10:00, at least five Working Days before start of Month | Loss of Load Probability for each Trading Period in the relevant Month | λ | h | | By 10:00, at least five Working Days before start of Month | Variable Capacity Payments Weighting Factor for each Trading Period in the relevant Month | VCPWF | h | | At least once every four Months | Reports on progress and status of Modification Proposals |  |  | | | | | | |

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| **Agreed Procedure 6: Data Publication and Data Reporting**  APPENDIX 2: Report Listing  **Data Publications**  The following list identifies each Data Publication that is published to the general public via the MO Website and whether it is also reported to Participants via the MPI. When a report of the same name as set out in Appendix E is updated, and the information contained within those reports is generated by Market Operators Isolated Market System, the previously Published report of the same name will be overwritten by the new Publication.   |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | **Publication / Data Report Name** | **Class** | **Timing** | **Subscript** | **Published via Market Operator Website** | **Available via MPI** | **Confidentiality** | **Validity** | | Market Operator Performance Report (paragraph 2.144) | C | As defined in the Code | - | Y |  | Public Data |  | | Monthly Maintenance Schedule – Generator Unit outages | C | As defined in the Code | - | Y |  | Public Data |  | | Monthly Maintenance Schedule – Transmission System line outages | C | As defined in the Code | - | Y |  | Public Data |  | | Monthly Load Forecast and Assumptions | C | By 10:00, at least one Working Day before start of Month | - | Y | Y | Public Data |  | | Loss of Load Probability for each Trading Period in the relevant Month | C | By 10:00, at least five Working Days before start of Month | h | Y | Y | Public Data |  | | Variable Capacity Payments Weighting Factor for each Trading Period in the relevant Month | C | At 10:00, at least five Working Days before start of Month | h | Y |  | Public Data |  | |

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| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | |
| The ex-ante value for Margin provided by the System Operators is not published in the Central Market System and has not been since Market start. It would require a Central Market System change request to facilitate its publication and this would incur a substantial cost. The associated ex-ante Loss of Load Probability is published. It is therefore proposed to remove the obligation on the Market Operator to publish an ex-ante value for Margin. | |
| **Code Objectives Furthered**  *(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)* | |
| This modification aims to further Code Objective:  **1.3.5:** to provide transparency in the operation of the Single Electricity Market | |
| **Implication of not implementing the Modification Proposal**  *(State the possible outcomes should the Modification Proposal not be implemented)* | |
| Should this modification proposal not be implemented, the Market Operator will remain in breach of the code for not publishing an ex-ante value of Margin. | |
| **Working Group**  *(State if Working Group considered necessary to develop proposal)* | **Impacts**  *(Indicate the impacts on systems, resources, processes and/or procedures)* |
| No | No |
| ***Please return this form to Secretariat by email to*** [*modifications@sem-o.com*](mailto:modifications@sem-o.com) | |