|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **MODIFICATION PROPOSAL FORM** | | | | | |
| **Proposer** | **Date of receipt** | | **Type of Proposal** | | **Modification Proposal ID** |
| **SEMO** | **11 September 2012** | | **Standard** | | **Mod\_19\_12** |
| **Contact Details for Modification Proposal Originator** | | | | | |
| **Name** | | **Telephone number** | | **Email address** | |
| **Niamh Delaney** | | 1. **2370321** | | **niamh.delaney@sem-o.com** | |
| **Modification Proposal Title** | | | | | |
| **Correction to discrepancy in Required Credit Cover Query resolution timeline** | | | | | |
| **Documents affected** | | **Section(s) Affected** | | **Version number of T&SC or AP used in Drafting** | |
| **AP** | | **AP13 2.3.3** | | **V11.0** | |
| **Explanation of Proposed Change**  *(mandatory by originator)* | | | | | |
| There is a discrepancy in Agreed Procedure 13 – Query Generation with regard to timeline for the Required Credit Cover Query (newly introduced for Intra-Day Trading). The agreed timeline is that the Participant must raise a formal query within one hour of the later of the defined Required Credit Cover report publication time and the actual time the report was issued. The MO then has 90 minutes from the time that the formal query was logged to investigate the query and resolve it, where possible. If the formal query requires further investigation, subsequent to this, then the MO must resolve it within 5 Working Days.  Currently AP13 specifies in Section 2.3.3 that when the MO receives a valid and complete RCC Query, it shall use reasonable endeavours to investigate it within 90 minutes of the issue of the RCC report. Clearly this should read within 90 minutes of the receipt of the RCC query, rather than the RCC report publication, as otherwise the RCC report could be issued, the Market Participant could raise a valid query within one hour and the MO may only have a remaining 30 minutes to deal with the query. | | | | | |
| **Legal Drafting Change**  *(Clearly show proposed code change using* ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)* | | | | | |
| * 1. Required Credit Cover Queries      1. Raising Required Credit Cover Queries   Where a Party identifies an issue with the calculation of Required Credit Cover, it may raise a Required Credit Cover Query within one hour of the later of the defined Required Credit Cover publication time and the actual time at which the Required Credit Cover report is issued. This Party (the “Raising Party”) shall submit the Required Credit Cover Query using the form as set out in Appendix 2. Each Required Credit Cover Query shall specify the Participant to which the query relates, along with reasons for the query and any supporting evidence.   * + 1. Processing Required Credit Cover Queries   Each Required Credit Cover Query shall be raised in respect of a single Participant by a person authorised under Agreed Procedure 11 “Market System Operation, Testing, Upgrading and Support” to submit Required Credit Cover Queries on behalf of the Raising Party. The Participant shall provide all of the information as required by the Market Operator, in order for a Required Credit Cover Query to be considered as complete and valid.  If the Market Operator identifies that a Required Credit Cover Query is not complete and valid, it shall reject the Required Credit Cover Query and shall notify the Raising Party in a standard format of such rejection. The Raising Party may then raise a new Required Credit Cover Query in respect of the affected Participant, in accordance with the required timescales as set out in section 2.3.1.   * + 1. Corrective Actions   Upon receipt of a valid and complete Required Credit Cover Query, the Market Operator shall use reasonable endeavours to undertake each of the following activities within 90 minutes:   * investigate the Required Credit Cover Query; * identify whether the Required Credit Cover Query should be upheld and, if so, the resolution; * notify the Raising Party whether the Required Credit Cover Query is upheld; and * where an Required Credit Cover Query is upheld, resolve the issue(s) identified in accordance with the remedial actions set out in 6.77E of the Code.   Where the Required Credit Cover Query has not be resolved within 90 minutes of itsreceipt , it will be resolved in the timescales as set out in paragraphs 6.77C and 6.77D of the Code. | | | | | |
| **Modification Proposal Justification**  *(Clearly state the reason for the Modification)* | | | | | |
| This Modification Proposal aims to clarify the timeline for resolution of Required Credit Cover Queries. | | | | | |
| **Code Objectives Furthered**  *(State the Code Objectives the Proposal furthers, see Section 1.3 of T&SC for Code Objectives)* | | | | | |
| This Modification Proposal aims to further the following Code Objective:   * + 1. 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)* | | | | | |
| If this Modification Proposal is not implemented, a lack of clarity will remain around the timeline for resolution of Required Credit Cover Queries. | | | | | |
| **Working Group**  *(State if Working Group considered necessary to develop proposal)* | | | **Impacts**  *(Indicate the impacts on systems, resources, processes and/or procedures)* | | |
| No. | | | No system impacts, clarifies an existing procedure. | | |
| ***Please return this form to Secretariat by email to*** [***modifications@sem-o.com***](mailto:modifications@sem-o.com) | | | | | |

**Notes on completing Modification Proposal Form:**

1. **If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal Originator.**
2. **Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Modifications Committee.**
3. **Each Modification Proposal will include a draft text of the proposed Modification to the Code unless, if raising a Provisional Modification Proposal whereby legal drafting text is not imperative.**
4. **For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:**

**Agreed Procedure(s): means the detailed procedures to be followed by Parties in performing their obligations and functions under the Code as listed in Appendix D “List of Agreed Procedures”.**

**T&SC / Code: means the Trading and Settlement Code for the Single Electricity Market**

**Modification Proposal: means the proposal to modify the Code as set out in the attached form**

**Derivative Work: means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal**

**The terms “Market Operator”, “Modifications Committee” and “Regulatory Authorities” shall have the meanings assigned to those terms in the Code.**

**In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Section 2 of the Code (and Agreed Procedure 12), which I have read and understand, I agree as follows:**

**1. I hereby grant a worldwide, perpetual, royalty-free, non-exclusive licence:**

* 1. **to the Market Operator and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;**
  2. **to the Regulatory Authorities, the Modifications Committee and each member of the Modifications Committee to amend, adapt, combine, abridge, expand or otherwise modify the Modification Proposal at their sole discretion for the purpose of developing the Modification Proposal in accordance with the Code;**
  3. **to the Market Operator and the Regulatory Authorities to incorporate the Modification Proposal into the Code;**

**1.4 to all Parties to the Code and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the Code or otherwise, for any purpose arising out of or in connection with the Code.**

**2. The licences set out in clause 1 shall equally apply to any Derivative Works.**

**3. I hereby waive in favour of the Parties to the Code and the Regulatory Authorities any and all moral rights I may have arising out of or in connection with the Modification Proposal or any Derivative Works.**

**4. I hereby warrant that, except where expressly indicated otherwise, I am the owner of the copyright and any other intellectual property and proprietary rights in the Modification Proposal and, where not the owner, I have the requisite permissions to grant the rights set out in this form.**

**5. I hereby acknowledge that the Modification Proposal may be rejected by the Modifications Committee and/or the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the Code.**