



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

10 December 2020

Our Ref: F/18/027

SEM Committee Decision for the Regulatory Authorities in relation to Mod_03_18 V3 (Final Recommendation FRR_03_18 V3)

Dear Esther,

On 7 January 2020, the Modifications Committee submitted its Final Recommendation Report (FRR) with regard to Modification Proposal Mod_03_18 V3 'Autoproducer and DSU Credit Cover' in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (TSC). The Regulatory Authorities note that this Modification aims to fairly assess credit cover requirements for Participants with units registered as an Autoproducer and for DSUs.

This Modification Mod_03_18 was raised by Aughinish Alumina Limited at Meeting 79 on 25 January 2018 and subsequently discussed at a number of Committee Meetings and two working group meetings in 2018 and 2019. An interim Modification, Mod_09_18, was developed and approved before the new market arrangements went live. Version 3 of the Modification was voted for approval at Meeting 95 on 5 December 2019. Subsequent to this, SEMO received a system change Impact Assessment for the Modification which anticipated that it would be a high impact change with a risk of wider impacts on system performance. This was discussed at

Meeting 100 and it was agreed that the Modification Proposers would develop an alternative proposal with SEMO.

The Regulatory Authorities note that extensive discussion of this Modification and the treatment of Autoproducers and DSUs has taken place through a number of Committee Meetings and Working Groups, along with consideration of options for system implementation of this Modification. While an alternative solution is being developed, the Regulatory Authorities also note that Mod_09_18 remains in place which allows for any Participant who has registered an Autoproducer Unit or a Demand Side Unit may apply to the Market Operator to be treated as an Adjusted Participant.

Considering the above, and in accordance with Paragraph B.17.20 of the Code, the SEM Committee has decided to reject the Modification as set out in Appendix 1 of FRR_03_18 V3, on the understanding that an alternative solution is currently being developed with less impact on system performance.

Yours sincerely,

Sent by email with no signature

Grainne Black
Manager
Wholesale Electricity Markets
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Leigh Greer
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