



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

26 September 2018

Our Ref: D/18/17029

SEM Committee Decision for the Regulatory Authorities in relation to Mod_29_18 (Final Recommendation Report FRR_29_18)

Dear Esther

On 21 September 2018, the Modifications Committee submitted its Final Recommendation Report with regard to Modification Proposal Mod_29_18 "Part B Schedule Production Cost Definition" in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (TSC).

Mod_29_18 was submitted to the Modifications Committee by the Regulatory Authorities on 30 August 2018.

The Modification Proposal seeks to add a definition for Schedule Production Cost to the table of Definitions in the Glossary of Part B and define it with reference to the Complex Bid-Offer Data submitted for a Generator Unit.

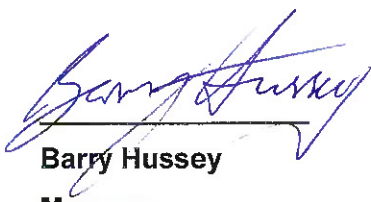
A presentation was made the Modifications Committee meeting on 6 September and the members of the Modifications voted on a majority basis that the Modification Proposal would better facilitate the achievement of the Code Objectives:

- to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market;
- to promote competition in the Single Electricity Market;
- to promote the short-term and long-term interests of consumers of electricity on the island of Ireland with respect to price, quality, reliability, and security of supply of electricity.

As part of the discussion on this Modification, concerns were raised as to the extent that this Modification implied that all Commercial Offer Data would be subject to cost-reflective bidding obligations. While the Regulatory Authorities are of the view that this concern was not grounded when considered in terms of the Information Note on this issue published on the SEM Committee website on 13 August 2018, the Regulatory Authorities agreed to and have now published further clarification on 19 September on this issue.

Considering the above, and in accordance with Paragraph B.17.20 of Part B of the TSC, the SEM Committee direct a Modification in accordance with in Appendix 1 of FRR_29_18. This Modification shall become effective one Working Day after the date of this letter.

Yours sincerely



Barry Hussey
Manager

Wholesale Electricity Markets