



Single Electricity Market

MODIFICATIONS COMMITTEE MEETING MINUTES

MEETING 100
CONFERENCE CALL
20 AUGUST 2020
10.00AM – 2.00PM

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Document History

Version	Date	Author	Comment
1.0	27 th August 2020	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0		Modifications Committee Secretariat	Committee and Observer review complete

Distribution List

Name	Organisation
Modifications Committee Members	SEM Modifications Committee
Modification Committee Observers	Attendees other than Modifications Panel in attendance at Meeting
Interested Parties	Modifications & Market Rules registered contacts

Reference Documents

Document Name
Balancing Market Rules – Trading and Settlement Code & Agreed Procedures
Mod_13_19 Payment for Energy Consumption in SEM for non-energy Services Dispatch
Mod_15_19 Clarification to the description of the role of the Dispute Resolution Board under the TSC
Mod_06_20 Removing the requirement for a Monthly Load Forecast
Mod_08_20 Imbalance prices to reflect the real-time value of energy
Mod_09_20 Number of days for interest calculation
Mod_10_20 Rescind CCIN via email when indicative settlement is delayed and settlement team can verify volumes

In Attendance

Name	Company	Position
Modifications Committee (voting members)		
Paraic Higgins (Chair)	ESB	Generator Member
Eamonn Boland	IWEA (Brookfield Renewable)	Supplier Alternate
Bryan Hennessey	Naturgy	Supplier Member
Philip Carson	Power NI	Supplier Member
Stacy Feldmann	SSE	Generator Member
David Gascon	Bord na Mona	Generator Alternate
Kevin Hannafin	Energia	Generator Member
Ian Mullins	Bord Gais	Supplier Member
Robert McCarthy	Electricity Exchange	DSU Alternate
Alan Mullane	ElectroRoute	Assetless Member
Adelle Watson	NIE Networks	MDP Member
Christopher Goodman	SEMO	MO Member
Brian Malone	EirGrid	SO Alternate
Modifications Committee (Non-Voting Members)		
Barry Hussey	CRU	RA Member
Gina Kelly	CRU	RA Alternate
Karen Shiels	UR	RA Alternate
Katia Compagnoni	SEMO	MO Alternate
Leigh Greer	Uregni	RA Member
Secretariat		
Sandra Linnane	SEMO	Secretariat
Esther Touhey	SEMO	Secretariat
Observers		
Rowan Tunnicliffe	Moyle Interconnector Ltd	Observer
John Tracey	EirGrid	Observer
Niamh Delaney	EirGrid	Observer

Thomas O'Sullivan	Aughinish	Observer
Sinead O'Hare	Power NI	Observer
Elaine Gallagher	SEMO	Observer
Adam Fitzpatrick	CRU	Observer
Mark Needham	SEMO	Observer
Rochelle Broderick	Budget Energy	Observer
Mark Phelan	Electric Ireland	Observer
Ronan Doherty	ElectroRoute	Observer
Alex McClean McLean	Arthur Cox	Observer

1. SEMO UPDATE

The Secretariat welcomed all to Modifications Committee Meeting 100. The minutes for Meeting 99 were read and approved.

An update was provided on Elections 2020 with welcome given to new Members and thanks extended to those no longer on the Committee. A reminder was given that the Chairperson elections will commence shortly with a reminder that Members only have one vote each. Acknowledgements were also given to the RAs for nominating, in accordance with T&SC provisions, a Supplier Member to the Panel, as the number of nominations received was not sufficient to fill the vacant seats. The RA Member briefly explained the process followed in this case.

SEMO provided an update on the action to provide an Impact Assessment for Mod_03_18 'Autoproducer Credit Cover' explaining that, due to the intricate nature of the Modification, the costs (specifically vendor only) were on the higher end of the medium range with an additional risk of deterioration of Settlement System's performances. An interim Modification on the matter is currently in effect successfully dealing with the issues so far, although lacking in transparency and a DSU Member explained they were looking for a more solid and unambiguous solution. An RA decision on Mod_03_18 is currently on hold and due to the Modification having been recommended for approval pending Impact Assessment; it was prudent to bring the issue back to the Panel for further considerations after having discussed this with the Proposers.

A DSU Member gave more context to the new solution from a DSU perspective. It was advised that the current drafting worked fine, but it was flawed and did not provide transparency for new units. It was noted that it would impact collateral rather than market cost. The interim solution solves the initial problem but would need tightening up to make it enduring. Recently this resulted in a problem for a new unit being registered where incorrect Credit Cover was initially calculated.

SEMO explained to the Committee that there were 3 options:

- to continue with the interim solution,
- to proceed with the more sophisticated costly solution or
- to try to refine the interim solution to make it more robust and transparent.

The Proposer agreed that the Modification did have a material impact and the risk to the overall system performance was worrying. A Generator Member suggested that a potential plan B should be explored or more focus given to improving the interim solution. The RAs Member asked about previous concerns being

expressed by SEMO with regards to certain obligations being assigned to the Market Operator with potentially new manual processes. The SEMO Member assured that after having done the ground work they were satisfied these concerns had now been mitigated and a solution could be found with the Proposers to improve the interim solution.

DSU agreed with the above explaining that the interim provisions could be continued but they would be codified into an enduring set being appropriately modified. It was noted that the interim was only intended for 18 months to 2 years and there was currently no clarity on adjusting volumes going forward.

The RAs advised that the discussion held should be documented and that existing interim arrangements should be further codified. The RAs agreed to consider this in making its decision on this Modification.

Actions:

- SEMO to work with Proposers to amend interim solution – **Open**
- RAs to provide a decision to either reject current Mod_03_18 or to recommend further work to be carried out. - **Open**

MOD_03_18 Autoproducer Credit Cover	<ul style="list-style-type: none"> • SEMO to provide vendor impact assessment for existing proposal – Closed
MOD_13_19 Payment for Energy Consumption in SEM for non-energy Services Dispatch	<ul style="list-style-type: none"> • SEMO and the proposer to investigate feasible ways to implement a solution in the market. – Closed • MDPs and TSOs to continue to explore ways to get the data to the Balancing Market including potential manual options – Ongoing • Secretariat to convene a Working Group in September / October 2020 – Ongoing • Proposer to provide an update at the August Meeting - legal drafting to be progressed to lead on to Working Group in September / October - Ongoing
MOD_15_19 Clarification to the description of the role of the Dispute Resolution Board under the TSC	<ul style="list-style-type: none"> • Secretariat to provide update on progress of this modification once approval received from the RAS to proceed with procurement – Ongoing
MOD_17_19 DSU State Aid Compliance Interim Approach	<ul style="list-style-type: none"> • SEMO take a long term action to undertake mid tariff year (summer 2020) review of the cost of the change on Imperfections Charges post implementation to track any substantial increase in costs- Long Term Action
MOD_01_20 PMEAs No Energy Action Same Direction as NIV	<ul style="list-style-type: none"> • SEMO, RAs and members to review EBGL and Clean Energy Package for any interactions – Closed • SEMO and Proposer to complete analysis on the impact on Imbalance Pricing and circulate as soon as practicable – Closed • SEMO and TSOs to analyze impact on Premium and Discount payments and Imperfections – Closed • Members to carry out analysis/investigation

	to better understand the implications of the proposal and share it with the Panel as soon as available - Closed
MOD_06_20 Removing the Requirement for a Monthly Load Forecast	<ul style="list-style-type: none"> Participants to review this Modification Proposal at the end of the year to consider whether the Monthly Load Forecast should be retained for forecast assessment in Secondary Trading – Open Members to provide any issues or comments on new publishing system for monthly load forecast at next Modifications Meeting - Open
MOD_07_20 Balancing Modifications Committee Composition and constitution definitions	<ul style="list-style-type: none"> Proposer to split out elements of the proposal into 2 or 3 new distinct proposals as appropriate and potentially withdraw Mod_07_20 - Open
Settlement Update	<ul style="list-style-type: none"> Proposer to quantify the current impact on over-collateralization to Participants is – Ongoing

2. DEFERRED MODIFICATION PROPOSALS

MOD_13_19 PAYMENT FOR ENERGY CONSUMPTION IN SEM FOR NON-ENERGY SERVICES DISPATCH

The Proposer provided a brief background on this Modification noting that an Industry Conference Call took place on 21st July 2020 where 4 options were discussed in order to progress this Modification and minutes for this call were published on the SEMO website.

It was advised that there were a number of follow up emails after this meeting and it was agreed that option 4 would be progressed as an interim solution and option 1 as a potential long term solution when assessment and interpretation of Article 13 and 14 of CEP are furthered. The Proposer reminded the Committee that a Working Group would be scheduled shortly and it was confirmed by the Secretariat that this would take place once the legal drafting was complete.

A discussion ensued on the development of this Modification and if a Working Group could be convened without legal drafting. The Secretariat reminded the Proposer and Committee of an action taken at Meeting 99 for the Proposer to develop the legal drafting prior to a Working Group taking place in order to prepare the Terms of Reference. The Proposer agreed and assured all that this would be done.

The Chair suggested that another industry call could be scheduled to progress the legal drafting and once this was complete a new version of the Modification could be submitted. The Proposer agreed with this and assured the Committee that an invite would be extended to all Participants and the Modifications Committee.

Decision

This Proposal was deferred.

Actions:

- Proposer to schedule further industry call if needed to progress legal drafting and submit a version 2 of this Modification before terms of Reference for a Working Group could be drafted - **Open**

MOD_15_19 CLARIFICATION TO THE DESCRIPTION OF THE ROLE OF THE DISPUTE RESOLUTION BOARD UNDER THE TSC

The Secretariat provided an update on the action from this Modification providing assurance to Members that legal procurement had been progressed. A further update would be provided at Meeting 101 on 22nd September 2020 and a follow up email would be sent as soon as able to circulate the external legal advice.

Decision

This Proposal was deferred.

MOD_06_20 REMOVING THE REQUIREMENT FOR A MONTHLY LOAD FORECAST

A SEMO Alternate provided an update on this Modification reminding Members that there was an open action on Participants to confirm that they could download the forecast from the new webpage on the SEMO website which was circulated following meeting 99. This was in parallel with checks to occur once Secondary Trading was in place, to verify whether this file could be removed or would still be required.

A number of Participants admitted they had been unable to confirm if there were any issues with the new publishing page and they requested the link to be circulated again. The Secretariat confirmed they could do that adding a time limit for Participants to confirm whether they could download it without issues.

Decision

This Proposal was deferred.

Actions:

- Secretariat to circulate link to forecast report to Committee – **Open**
- Participants to confirm if there are any issues with the new file location– **Open**

MOD_07_20 BALANCING MODIFICATIONS COMMITTEE COMPOSITION AND CONSTITUTION DEFINITIONS - UPDATE

The RAs Member provided an update on this Modification which was withdrawn following Modifications Meeting 99. It was noted that there was an intention to progress with the action to provide separate proposals but the Proposer confirmed that this was still under consideration.

The Proposer noted that good points were raised at the last meeting and following a review period it was agreed that a different approach could be explored so they may submit an altogether new solution, such as similar to the UK model where there is no distinction between Generators and Suppliers. Although this may sound radical, in effect it may lead to a similar constitution to the current one.

A Supplier Member enquired if all of the points raised by Members previously would be accounted for. The Proposer gave assurance that all of the suggestions would be reviewed but in light of the recent election results a different approach may be needed.

Actions:

- Proposer to split out elements of the proposal into 2 or 3 new distinct proposals as appropriate and potentially withdraw Mod_07_20 - **Open**

3. NEW MODIFICATION PROPOSALS

MOD_08_20 IMBALANCE PRICES TO REFLECT THE REAL-TIME VALUE OF ENERGY

Before the Proposer began the [presentation](#), the RAs requested permission to provide a brief commentary to the slides submitted. The RAs advised that original Mod_10_19 was discussed last year and it was of high importance to implement a SEMC decision that deemed it inappropriate for Dispatchable Priority Dispatch units to set imbalance prices [because of an inconsistency between the detailed design papers and the code](#).

It was confirmed that significant consideration was given to the latest draft of the EBGL provisions and when making the original decision on T&SC development, the legal requirements were always taken on board and the Modification had always been considered fully compliant with [EBGL and any other applicable law, Commission Regulation \(EU\) 2017/2195 of 23 November 2017 \("EBGL"\)](#).

The RAs rejected the view expressed by the Proposer in the presentation that throughout the process the RAs ignored that Mod_10_19 was potentially non-compliant. In fact not only [was](#) this was not the case, but substantial consideration was given to compliance. The RAs reflected on the unfortunate choice of words in the drafted Decision letter that lead to a lack of clarity. The RA Member acknowledged that this might have given the impression that [the Modification Mod 10 19](#) was only approved because EBGL had not yet come into effect, but unequivocally EBGL provisions had been reviewed in great detail, [together with all other applicable laws](#), and the RAs were satisfied that, on the contrary, the market would be in a position of non-compliance should Mod_10_19 not be approved. [The RAs stated this was because dispatch down of priority dispatch is a non-energy action and, in line with flagging & tagging, should be removed from the imbalance price formation](#).

The RAs summarised the purpose of the Modifications Committee which was to review changes to legal drafting in line with the SEM Committee determinations. The RA Member also asked the Committee to bear in mind that the TSOs and SEM Committee will publish a consultation [in a few weeks](#) on the subject of compliance with EBGL that should be taken into consideration before voting on [this Modification Mod 08 20, but after implementation of Mod 10 19](#). [The RA Member noted that it was for all of industry to consider all issues in the round](#). The RAs also believed that there were points within this presentation that were somewhat extreme and needed explanation.

Following the RAs' introductory comments, the Proposer then delivered a presentation for [this Modification noting Mod 08 20 noting](#) it was very simple in its purpose which seeks to maintain the status quo and reverse Mod_10_19 which the Proposer believed to be [illegal, inconsistent with the requirements of the EBGL and Commission Regulation \(EU\) 2019/943 of 5 June 2019 \(the "Electricity Regulation"\)](#).

Going through the slides the Proposer went through the points which summarized why Mod_10_19 would eventually cause further problems to the market as it [deflates was incompatible with respect to the EBGL and the Electricity Regulation, and as such the market would require repricing and resettlement if the illegal inconsistent change was introduced. The change would also deflate](#) prices to zero inappropriately removing a valid price signal. It was added that [this Modification Mod 10 19](#) was heavily debated and rejected by the Committee, a rejection then overturned by the SEMC, [without detailed explanation](#).

It was also pointed out that the Decision letter was written by the RAs in October 2019, while EBGL did not enter into force until 31st December 2019. The statement in the decision alluding that [the Modification Mod 10 19](#) could pass as a result of this, suggested awareness of its [illegality](#) and it was the

Comment [FS1]: I do not recall this phrase being mentioned specifically and it does not add to the overall sentence—I would not include.

Comment [BH2]: Agreed – I don't recall saying this and my notes don't reflect this remark

Comment [LG3]: I have noted that Barry remarked that MOD_10_19 was important for the RAs since this element of the market design was clearly part of the I-SEM detailed design. The proposed mark-up here does not reflect what was said.

Comment [FS4]: It is my recollection that the RAs specified EBGL but also referenced other applicable EU regulations, so the original sentence is accurate.

Comment [BH5]: Agreed. On a separate point. This is a minute of the meeting. I'm not sure if we normally formalise the titles of legislation – I certainly didn't use the formal name when I was speaking

Comment [FS6]: This is an accurate reflection of what was said. It should be retained.

Comment [BH7]: I agree – my notes reflect this

Comment [BH8]: I didn't mention flagging and tagging at this point based on my notes and this isn't a fully accurate reflection of the RAs position in any case.

Comment [LG9]: I have noted that earlier in Barry's update, he said that throughout the detailed design, the EBGL was considered to ensure compliance insofar as possible, especially with regard to flagging and tagging. The mark-up made here is inaccurate and does not reflect what was said.

Comment [FS10]: This was implied but not explicitly said.

Comment [BH11]: I disagree with this addition – it implies that we were trying to delay to allow the Mod to be implemented. The point being made was that the public consultation looking at EBGL compliance of the TSC is a more appropriate forum for detailed compliance discussions. Other ...

Comment [GK12]: This was stated at the meeting, in the Modification and in the presentation so should be retained

Comment [GK13]: As above

Comment [FS14]: There was an explanation in the SEMC's decision letter.

Comment [BH15]: I agree – justification was provided in the RAs' decision letter.

Comment [FS16]: I would recommend removal of the phrase illegal to be replaced with inconsistent/incompatible/unlawful ...

Comment [BH17]: I think I was clear in my intervention that I thought this was the wrong word to use but the proposer ...

Proposer's opinion that as the real time value of energy was not reflected in the Imbalance Price therefore the Modification could not be allowed to proceed.

The Proposer stated that they had taken this step in raising Mod_08_20 after getting legal opinion advice and invited their legal expert to speak. An Observer The legal expert delivered the next section of the slides noting that the in the RAs comments and previous correspondence there was a focus on Balancing Regulation the EBGL, but less focus on Electricity Regulation which was no less important. It was advised that neither Electricity nor Balancing Regulation nor EBGL were in force in October last year and did not come into effect until 31st December 2019 and 31st January 2020 respectively. At the core of both Regulations was the principle that imbalances must be settled at the real time value of energy. The legal expert also made clear that compliance with EU Regulations was not something in respect of which the RAs had a discretion, they are directly applicable and enforceable with no need to change national law.

Comment [BH18]: This is not the style used in the Minutes – I would prefer the original approach; their legal expertise is not relevant, otherwise, all observers will have to be defined by their area of expertise. I would possibly be okay with reference to their Legal Representative, which I think would also be factually accurate.

Comment [BH19]: Okay with this – this is an accurate reflection of what was said at the meeting.

References were made to Articles 3(c), 3(g) and Article 6(5) which contained explicit provisions believed to make Mod_10_19 unlawful.

Comment [BH20]: By the Proposer

Further detail was given on Article 6(5) which stated that imbalances have to reflect real time of energy. This would mean that it needs to be price bid by marginal unit not a replacement price from the one submitted, and if that number was substituted the price could be inaccurate. Reference was also made to the fact ENTSO-E's guidance on interpretation of the EBGL referred to the balancing price being required to reflect the real time value of energy, namely the price of the marginal bid, not an administratively set substitute bid (which Mod_10_19 would set at zero for certain generators).

Comment [BH21]: I don't think it is appropriate to include additional commentary in the minutes – either it was said or it wasn't.

The question was raised on whether the RAs are entitled to proceed with Mod_10_19 given the points raised and was important to note that a change can't be implemented where we haven't completed analysis on requirements compliance for this. It was further re-iterated that an intervention on balancing prices has to reflect the real time value of energy. A request for more analysis was made while the status quo is preserved It was reiterated that any changes to the market which are illegal by nature are immediately bypassed under a provision of the Trading and Settlement Code, and that any prices formed as a result of this illegal change would therefore have to be repriced and participants resettled. A request for evidence of compliance with the EU directives was made while the status quo is preserved and the release of Mod_10_19 delayed.

Comment [BH22]: By the Proposer

Comment [GK23]: It was clarified by the RAs at the meeting that the SEMC Design is the status quo

Comment [FS24]: As above

Comment [BH25]: Somewhat overly colourful for minutes of a technical discussion – seems unnecessary to mention considering it had already been made clear it in a couple of interactions.

Comment [FS26]: ??

The Proposer advised they had engaged with the RAs and on a number of occasions and on each occasion were informed by the RAs that the RAs they were comfortable to proceed but on each occasion were never provided with evidence an explanation as to why, and were advised that the RAs analysis of what was required to comply with the EBGL was incomplete. Consideration of the relevant provisions of the Electricity Regulation were notably absent from the correspondence. The Proposer stated that the RA assurance was given RAs claimed that a full review was underway and would be available by the end of December 2020 at which point the deployment of Mod_10_19 would have taken place already. The Proposer reminded the Committee of the options available to them consequences in either accepting, rejecting or deferring this Modification.

Comment [BH27]: This phrasing might be what the Proposer said – I don't have it in my notes, but is certainly not what the RAs indicated in correspondence. I think I would have intervened if I had heard it put this way but that is obviously not minutable. I would be happy to share our response to earlier correspondence or an excerpt with Committee

Comment [GK28]: Not sure I remember this being said at the meeting

A Generator Member agreed that compliance with EBGL was important for Mod_10_19 and for future Modifications but they needed more information to substantiate the claim of illegality Mod_10_19 being unlawful. The new Members of the Committee were advised about the history of past Modifications and that it would be highly unusual to implement changes without a proper Impact Assessment. The RAs Member responded noting that during the debate over Mod_10_19 questions around legality were addressed and considered when taking its decision.

Comment [LG29]: I haven't noted this. I noted that the proposer stated they were interested to have more information from the RAs. The RA Member said that the RAs would respond in detail to Electrouroute's legal correspondence (and also noted that no other Committee members were asking the same questions).

The RAs Member also stated that the current Modification was subject to legal correspondence between the SEM Committee and ElectroRoute which limited the ability to provide further details in such context. The RAs confirmed their strong view that Modification_10_19 is compliant with EBGL because priority dispatch actions are a form of redispatch and are therefore non-energy actions, and disagreed that this Modification undermines the market principles but actually fully strengthens them. The RA Member stated flagging and

Comment [BH30]: These are the minutes of a meeting not a newspaper article.... Is this addition designed to suggest that the RAs were not being truthful on the review of the requirements?

tagging was designed to distinguish between energy and non-energy actions and that the latter should not affect price formation. The RAs affirmed that accepting the Proposer's interpretation and pausing the implementation of Mod_10_19 would in fact make the Market non-compliant, with both EBGL and the Recast Electricity Regulation, ~~arguing that Mod_08_20 was the "status quo"~~.

The Assetless Member argued that such analysis was never made available to the Committee and if no acceptable justification was provided the prudent thing was to pause the implementation of Mod_10_19 until proper analysis was completed and shared. The RAs confirmed to the Proposer that they would provide a written response to their recent legal correspondence and they would favour deferring Mod_08_20 till after the TSO consultation, when everyone in industry would have an opportunity to fully consider the matters, ~~but prior to the TSO consultation Mod_10_19 would be implemented.~~

A DSU Member asked if going back on Mod_10_19 and staying with the status quo was ~~illegal-unlawful~~ itself. It was asked if this Modification should be considered not knowing what position this would leave the market in. The Proposer confirmed that they were comfortable with the status quo because the Commission had provided written approval in ~~September~~ April 2020 following Ireland's plan submission. An RA Alternate stated that the Commission Opinion was for a different area of the legislation associated with the implementation plan required under Article 20(3) of the Electricity Regulation and did not apply to the items under ~~scrutiny~~ discussion.

The Chair addressed the interpretation of CEP Recast Regulation Article 13 again and how it works. A Priority Dispatch list is given to the TSO containing a number of different units with different prices. When Priority Dispatch units are ~~dec-DEC'd (decreased)~~ they would be flagged out because it is a non-energy action but the TSO has no sight of whether the price of such unit is zero or -200 and therefore that cannot reflect the real cost of ~~e~~Energy. Reversing the previous Modification would leave the Market in a situation of uncertainty. If Priority Dispatch units have different prices but the TSO has no choice in which one to ~~decDEC~~, then this cannot be a true reflection of ~~e~~Energy prices. An Observer replied that these prices represent an investment signal and urged Members to vote for this Modification. Even if the Panel's recommendations were to be overturned for a second time, at least that would send a signal of discontent to the RAs and add some urgency in the release of further information.

~~release of further information. The RA Member noted that the question had not been fully addressed by the Observer in his response.~~

A Generator Member noted that Release F, which would implement Mod_10_19, is already advanced and shared concerns over the lack of further details from both sides of the argument.

Another Generator Member suggested further discussion on this and the idea that a further Working Group or an ExtraordinaryEmergency Meeting could help but noted that time was not on their side as the change was due to take place in October. Some discomfort by a ?? was expressed by the statement that Mod_10_19 was illegal and it was not sure what the situation would be like if it was reversed. It was suggested an ExtraordinaryEmergency Meeting to vote on this modification in advance of Release F with more information from both sides might be the best outcome from the meeting.

A number of Generator and Supplier Members agreed with furthering the discussion on this and would be reluctant to vote without proper revision and analysis of more evidence.

An Observer requested the Committee to reflect on the problem raised. ~~He noted~~ He noted that the extent of the debate clearly indicated that there was a substantial issue and a procedural one discussed at this meeting and while the focus was on the substantial side of it, strong procedural issues have been identified pointing out that the Modification was approved last year without the inclusion of the rationale on whether ~~the Modification would be compliant. Now that the legislation is in place that analysis should be shown.~~ Mod_10_19 would be compliant. Now that the Regulations are in force, it is incumbent on the RAs to ascertain whether it is lawful for them to now proceed to implement Mod_10_19 before doing so. That analysis should be shown. The Proposer indicated that they had sought repeated assurances that Mod_10_19 would not be implemented without this analysis being completed, and provided to the

Comment [BH31]: On the presumption that this is a deletion of an insertion. The text as appears here is in line with my understanding.

Comment [BH32]: I think it is very important that it is noted that a clear question was asked of the proposer and their response did not answer the question.

Comment [GK33]: Propose to retain this as it was noted at the meeting that the proposer had not fully addressed the question raised

Comment [BH34]: An Emergency meeting has a specific meaning under the code, reference was made to Extraordinary. That is how we have managed referencing tge meetings in the past couple of years.

Comment [BH35]: Just want to be clear who said this

Comment [LG36]: I have noted that Stacey was uncomfortable with saying that Mod_10_19 was illegal??

Comment [BH37]: By the Proposer as I understand it.

~~Modifications Committee to consider. On each occasion the RAs had refused to give this confirmation and confirmed that they would proceed with the implementation of Mod 10 19 despite confirming that their analysis of the requirements of the EBGL and Electricity Regulation were ongoing.~~ The Proposer went on to say that they would be deeply concerned to proceed with the release in such circumstances.

The Chair asked the Members to specify a bit more what type of info would they require to be able to decide on the matter, and various Members replied that they would like to see more details on the compliance analysis and on the implications in relations to art.13 of CEPElectricity Regulation and others should the change be reverted.

The RAs' Member indicated that they were constrained in their ability to provide an analysis of the compliance of Mod 10 19 due to the legal correspondence that had been received from the Proposer's legal representatives, but with the Regulations given that they had received a letter from the Proposer's lawyers. They agreed to respond to the Proposer's correspondence. The Proposer, and, with theirthe consent of the Proposer, agreed they would make that correspondence available to the Committee for their consideration. ~~The RAs Member, but~~ once again confirmed that Mod_10_19 does comply with both EBGL and art.13 of the Clean Energy PackageElectricity Regulation and if rolled back that would not be the case. An agreement was reached that suchThe Proposer indicated it would have no difficulty with correspondence would both that addressed the compliance of Mod 10 19 with the Regulations being circulated to the Modifications Committee Members, but also stressed that it was important that the correspondence did provide a substantive analysis of the requirements of the Regulations. ~~The RAs indicateds that~~ more information from the Proposer would be required on how this Modification takes into consideration Re-dispatch of Dispatchable Priority Dispatch Units. This would be needed to understand the consequences of accepting or rejecting this Modification at an ExtraordinaryEmergency Meeting to be convened.

Comment [BH38]: Yeah, I don't really remember the conversation went like this and I don't think it adds anything. Better to delete.

Comment [BH39]: As per above comment, it is not an Emergency meeting it is an Extraordinary meeting

The Chair suggested that this Modification be deferred to allow circulation of additional information from both the Proposers and the RAs ~~and, following, that, this information must be circulated before the Emergency Meeting and that~~ the Secretariat should try and arrange an Emergency Meeting as soon as possible and before October when Release F is due to take effect to discuss the issue further.

Comment [BH40]: A number of additions here that I don't agree with which don't reflect the conclusions from the Chair.

~~The RAs noted it would take them a couple of weeks, to to~~ The RAs noted that they can't prepare the arguments in a week. It would take them a couple of weeks to provide an analysis of why Mod 10 19 is compatible with the requirements of the EBGL and Electricity Regulation and why Mod 08 20 is not. When queried why this would take so long the RAs explained that it was because they would need to obtain legal advice, draft legal correspondence and to get it approved internally and also wished to manage expectations as it would not be possible to give too many details while a consultation was ongoing. The Proposer requested them to act quickly on this and advised that the Emergency-Extraordinary Meeting should be held in a matter of days due to urgency of the situation as the release's deployment date in October approaches fast.

Comment [FS41]: I do not think this adds much more to the paragraph—it overstates what the paragraph is originally saying anyway.

Comment [BH42]: I agree with SSE, and would suggest that the drafting implies that such consideration had not occurred before. It had. The time was to allow the letter to be drafted, for legal review to occur and for internal sign-off.

Comment [BH43]: I don't recall this but does it matter that I didn't know this? I don't think it does. Our decision is that it should be implemented as soon as possible. Until a decision to the contract

A [Generator] Member asked what was the latest date that a decision could be taken on Mod 08 20 before Release F would be implemented. The RAs did not know what this date was. The Member stated that it was important that the issues raised by the Modification be considered before Release F was implemented and urged that the Emergency Meeting be held sufficiently in advance of this date to allow the Committee to make an informed vote rather than have Release F implemented without Mod 08 20 being properly considered. The Secretariat advised that an Emergency-Extraordinary Meeting required a quorum to take place and asked for members co-operation. Secretariat also advised that the requested additional information, captured as actions below, must be reviewed by Members in advance of any meeting.

Comment [GK44]: My recollection is that this question was addressed to SEMO from a systems perspective rather than the RAs

Decision

This Proposal was deferred.

Actions:

- RAs to provide written response to ElectroRoute’s legal correspondence (The Written Response) - as soon as possible and in advance of the Emergency Meeting – Open
- Proposer to also provide The Written Response and their analysis of compliance implications with respect to Art.13 of CEP should Mod_10_19 be reversed – Open
- Secretariat to circulate documentations received in support of the above actions and
- Secretariat to organize an Extraordinary Emergency Meeting -to take place as soon as possible and before the implementation of Release F in October – Open
- RAs to confirm the latest date by which a decision can be taken not to implement Mod_10_19 given the anticipated timetable for Release F.

MOD_09_20 NUMBER OF DAYS FOR INTEREST CALCULATION

The Proposer provided some background on this Modification noting that there was an error in the drafting of the current version of AP15 which would be corrected by changing the word “previous” to “original”. The current version of the AP is not correct and to fix this will cause no impact to Settlement Systems which have been implemented according to the proposed interpretation and in line with the main body of the T&SC and the previous market.

A Generator Alternate asked if the interest should be calculated on the previous settlement in M+4 and M+13. The Proposer explained why this would not be the case noting that the Participant should be paid correctly the first time around so the interest calculation should always refer back to the Initial Settlement Document.

The Proposer summarized that this Modification’s aim was to tidy up an inconsistency between the AP and the main body if the T&SC which has the correct wording and there was agreement amongst the Committee that this Modification could achieve this and that a vote could be taken.

Decision

This Proposal was Recommended for Approval.

Recommended for Approval by Unanimous Vote		
Paraic Higgins (Chair)	Generator Member	Approve
Eamonn Boland	Supplier Alternate	Approve
Kevin Hannafin	Generator Member	Approve
Ian Mullins	Supplier Member	Approve
Stacy Feldmann	Generator Member	Approve

Comment [FS45]: I do not recall this being an action. Particularly given that later, Mark Needham made it clear that the implementation in Code Release F cannot be halted at this late stage without SEMC direction and without significant delay to all other planned fixes in the batch.

Comment [GK46]: Agree I hadn’t noted this as an action and think there was a question on this addressed to SEMO later in the meeting

Comment [LG47]: I did not note this as an action.

Alan Mullane	Assetless Member	Approve
Robert McCarthy	DSU Member	Approve
Philip Carson	Supplier Member	Approve
Bryan Hennessy	Supplier Member	Approve
David Gascon	Generator Alternate	Approve
Adelle Watson	MDP Member	Approve
Chris Goodman	MO Member	Approve
Brian Malone	TSO Alternate	Approve

Actions:

- Secretariat to draft AP Notification - **Open**

MOD_10_20 RESCIND CCIN VIA EMAIL WHEN INDICATIVE SETTLEMENT IS DELAYED AND SETTLEMENT TEAM CAN VERIFY METER VOLUMES

The Proposer gave a background on this Modification noting that, following the latest review and comments received, the final wording will need to be updated therefore a vote was not sought today but it would be good to discuss it. A list of the various changes to be made was provided and confirmation given that there would be a change to AP procedures also. This Modification would ensure that Participants are not penalised in specific circumstances when the Indicative Settlement would be delayed.

The Proposer went through the Modification Proposal and clarified that no Working Groups would be required along with no system updates. It was noted the only impact would be on the settlement team as the changes would be mainly procedural and would be done manually.

A DSU Member asked if a Market Message could include details of the delays and what they were due to, so that Participants could have an idea on whether their Credit Cover calculation could be affected by this issue or not. The Proposer replied that SEMO would endeavour to include all available details in the message and there would also be detailed communications with the affected parties.

The Chair asked if an analysis of past events had been made. It was advised that this had indeed been carried out and the issue would not apply to a large number of Participants but in all cases observed it would have resulted in a fairer calculation of the Participant's Credit Cover.

A Generator Member referred to Section G.12.17 regarding the issue of the timing of the email rescinding the CCIN and whether that would be captured in the Credit Report. The Proposer went through an example to provided assurance that the credit team would send an email to the Participant if there was a breach and the CCIN was to be rescinded but no changes were proposed to the Credit Report to avoid incurring vendor's costs.

Decision

This Proposal was deferred.

Actions:

- Proposer to develop version 2 of this Modification in advance of the next meeting. - **Open**

4. AOB/UPCOMING EVENTS

MARKET DEVELOPMENT UPDATE

The Presenter went through the slides and provided an update on Release F noting that there are currently 4 different Modifications each having a number of phases to go through. Currently the Modifications were in System testing and they would move shortly to User Acceptance testing. It was noted that the timing of the different phases is very tight and testing would run up to first week in October, in time

for the deployment as scheduled for the middle of October. Based on that programme, they are on target to achieve the deadline.

An Assetless Member questioned how much notice would be needed to reverse one Modification included in Release F in the context of Mod_08_20. The Presenter confirmed they would need to analyse how far they had gone and what testing has been done. Guidance from the vendor would be required before reversing it and there would be a need to understand where they are in the test cycle. Confirmation was given that in order to complete this analysis, a formal request would need to be made, as this is an unprecedented request and an estimate cannot be made.

Release G

It was advised that Release G has several important elements including the Re-price system, and noted that the scoping phase is already well advanced. There are currently conversations taking place on Mod_03_19 with the vendor in California on whether there is scope for inclusion in the release. Once there is confirmation on capacity, an update will be provided.

Upcoming Mods

There was no new update in this section.

The Secretariat thanked all for the attendance to Meeting 100 and noted that the next meeting will take place on Thursday, 22nd October 2020. Assurance was given that an Emergency Meeting would be convened as soon as possible.

APPENDIX 1 – PROGRAMME OF WORK AS DISCUSSED AT MEETING 100

Status as at 20 August 2020		
Modification Proposals 'Recommended for Approval' without System impacts		
Title	Sections Modified	Sent
Mod_01_20 PMEA No Energy Action Same Direction as NIV	E.3.4.2	Sent for RA decision – 17/07/20
Modification Proposals 'Recommended for Approval' with System impacts		
Mod_03_18 Autoproducer Credit Cover	G.12.4.4, G.14.7.3, G.14.7.3A, G.14.7.4, G.14.7.5, G.14.7.6, G.14.7.7 G.14.8.1, G.14.10.1, G.14.10.2, G.14.10.3, G.14.10.4, G.14.15.6 and G.15.1.1	Sent for RA decision 07/01/20
Modification Proposals 'Recommended for Rejection'		
N/A	N/A	N/A
RA Decision 'Further Work Required'		
N/A	N/A	N/A
RA Decision Approved Modifications with System Impacts		
Mod_03_19 Amended application of the Market Back Up Price if an Imbalance Price(s) fails to circulate V2	E.2.2.4 and E.5.1.3	Effective on System Implementation
Mod_10_19 Removal of negative QBOAs related to dispatchable priority dispatch units from the imbalance price	Part B Section D New Paragraph D.4.4.12	Oct 2020 (possible system implementation)
Mod_17_19 DSU State Aid Compliance Interim Approach	F and H	1 October 2020
Mod_19_19 Determining use of Complex Commercial Offer Data in Settlement when Required Information is not Available	F.3.3.2	Effective on System Implementation
Mod_20_19 Changing Day-ahead Difference Quantity to Day-ahead Trade Quantity in Within-day Difference Charge Calculations	F.18.5	Effective on System Implementation
Mod_21_19 Loss Adjustment Factor for Interconnectors	F	Effective on System Implementation
Mod_22_19 Correction of QUNDELLOTOL calculations to convert TOLUG and TOLOG to MWh	F	Effective on System Implementation
RA Decision Approved Modifications with no System Impacts		
Mod_05_20 Provisions for the Settlement of	Section H	1 October 2020

CEADSU		
RA Decision Rejected		
Mod_14_19 Interconnector Representation on the Modifications Committee	T&SC B.17.3, B.17.7, B.17.8 and Glossary AP12 3.7 and Appendix 1	30 July 2020
Mod_38_18 Limitation of Capacity Market Difference Payments to Metered Demand	F.20.1.1	12 November 2019
AP Notifications		
Mod_04_19 Running Indicative Settlement on all days	2.5.1	4 December 2019
Mod_04_20 Voting clarification and additional transparency	AP 3	16 July 2020
Withdrawal Notifications		
Mod_32_18 Removal of exposure for in merit generator units against BOA	Appendix N	05 July 2019
Mod_06_19 Determination of the Marginal Energy Action Price where no energy is available in the Net Imbalance Volume	Section E.3.4	17 October 2019
Mod_07_20 Balancing Modifications Committee Composition and constitution definitions	B.17.3 & AP12 3.7	10 July 2020
Modification Proposal Extensions		
Mod_03_18 Autoproducer Credit Cover	G4 to G15	Extension approved 04/07/19
Mod_13_19 Payment for Energy Consumption in SEM for non-energy Service Dispatch	T&SC Part A/Part B/Part C Appendices Part A/Part B Glossary Part A/Part B/Part C Agreed Procedures Part A/Part B	Extension approved 09/04/20
<ul style="list-style-type: none"> Meeting 101 – 22 October 2020 – Conference Call 		