

Single Electricity Market

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| Modifications Committee Meeting Minutes  Meeting 79  belfast – soni offices  25 january 2018  10.30 – 15.00 |

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Table of Contents

[1. Semo Update 5](#_Toc505690202)

[2. Review of Actions 5](#_Toc505690203)

[3. Deferred Modifications Proposals 7](#_Toc505690204)

[Mod 13\_17 Deferral of SEM NEMO Credit Reports and Non Accceptance of contracted quantities 7](#_Toc505690205)

[mod 16\_17 Funding in Relation to Eirgrid-SONI Payment obligations 8](#_Toc505690206)

[Mod\_17\_17 Recovery of Costs due to Invalid Ex-Ante Contracted Quantities in ImBalance Settlement 8](#_Toc505690207)

[mod\_18\_17 Net Inter Jurisdictional Import Submission 9](#_Toc505690208)

[4. New Modifications Proposals 10](#_Toc505690209)

[mod\_03\_18 Autoproducer credit cover 10](#_Toc505690210)

[mod\_01\_18 Notification of suspension to sem Nemo’s 11](#_Toc505690211)

[mod\_02\_18 Meter Data Publication timing 12](#_Toc505690212)

[5. AOB/upcoming events 13](#_Toc505690213)

[Appendices 14](#_Toc505690214)

[Appendix 1 - Secretariat Programme of Work as discussed at meeting 79 14](#_Toc505690215)

Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 6 February 2018 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 27 March 2018 | 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** |
| [Trading and Settlement Code and Agreed Procedures: **Version 20.0**](http://www.sem-o.com/MarketDevelopment/Pages/MarketRules.aspx) |
| [Trading and Settlement Code – Part B](http://www.sem-o.com/Publications/General/TSC%20Part%20B.docx) |
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In Attendance

|  |  |  |
| --- | --- | --- |
| Name | Company | Position |
| **Modifications Committee** | | |
| Adele Watson | NIE Networks | MDP Member |
| Anne Trotter | Eirgrid | SO Alternate |
| Barry Hussey | CRU | RA Member |
| Brian Mongan | AES | Generator Member |
| Chris Goodman | SONI | MO Member |
| Cormac Daly | Tynagh | Generator Member |
| Gerry Halligan | ESB Networks | MDP Alternate |
| Kevin Hannafin (Chair) | Energia | Generator Member |
| Jim Wynne | Electric Ireland | Supplier Member |
| Julie-Anne Hannon (Vice-Chair) | Bord Gais | Supplier Member |
| Marie-Therese Campbell | SONI | SO Member |
| Paddy Finn | Electricity Exchange | DSU Member |
| William Carr | ESB | Generator Member |
| William Steele | Power NI | Supplier Alternate |
| **Secretariat** | | |
| Esther Touhey | SEMO | Secretariat |
| **Observers** | | |
| Scott Lennox | Power NI | Observer |
| Nigel Thomson | SEMO | Observer |
| Brendan O’Sullivan | SEMO | Observer |
| Michael Kelly | Eirgrid | Observer |
| Billy Walker | UREGNI | Observer |
| Thomas O’Sullivan | Aughinish Alumina | Observer |
| Carlo Rossini | Aughinish Alumina | Observer |
| David Horan | Aughinish Alumina | Observer |
| Karl Portello | CRU | Observer |

# Semo Update

The Minutes from Meeting 78 were read and approved by the Secretariat. The final version of the Minutes is available [here](http://www.sem-o.com/Meetings/Minutes%20Meeting%2078%20version%202.0.docx).

Secretariat thanked Connor Powell for his tenure on the committee and welcomed his replacement Colm O’Gormain. Anne Trotter is replacing Carol Doyle as the TSO Alternate and was also welcomed to the committee.

Chair took the opportunity to advise that he regrettably had to resign the post of Chair but would be remaining as a Generator Member. Both the Secretariat and the RA Member thanked the Chair for his support and commitment in his time as Chair. Secretariat advised the committee that in this circumstance the Vice Chair would step in until the next elections. Secretariat advised that it may be necessary to review this due to the increased workload on the Chair due to monthly meetings.

**Programme of Work**

Secretariat presented the Programme of Work and a review of previous meeting actions.

# Review of Actions

|  |  |
| --- | --- |
| Actions recorded at previous meeting | |
| Mod 10\_17 Ex-Ante Quantities Deferral | * Secretariat to draft Final Recommendation Report – **Closed** |
| Mod\_06\_17 Transitional Credit Cover Provisions | * Secretariat to draft Final Recommendation Report – **Closed** * Proposer to provide clarifications in the following areas :   + Legal implications of deed of charge references to Part A   + Query as to whether older deeds can be released once new deed implemented   + Document requested to provide clarity regarding mapping of IDs from SEM to I-SEM   + Check typo error in legal text   + Provide document summarising business process with timelines – **Closed** |
| Mod\_12\_17 Outage Adjusted Wind and Solar Forecast Reports | * Clarification to be provided by TSOs regarding what outage adjustments will be included in the standard forecasts and whether this will include long term and short term outages – **Closed** |
| Mod\_11\_17 Deferral of Information Imbalance Charges | * Secretariat to seek clarity from I-SEM project relating to D+2 provision - **Open** |
| Mod\_12\_17 Outage Adjusted Wind and Solar Forecast Reports | * Secretariat to draft Final Recommendation Report - **Closed** |
| Mod\_13\_17 Deferral of SEM NEMO Credit Reports and Non Acceptance of contracted quantities | * Proposer to review Agreed Procedure 9 to clarify process and ensure that process is explicit -  **Closed** * Proposer to explore if simple workaround process discussed is viable option – Open –  **Closed** * Consider if it is appropriate to include an obligation on SEM NEMOs not to submit contracts when participants are subject to a suspension order -  **Closed** |
| Mod\_14\_17 Part B Suspension When Suspended Under Part A | * Secretariat to draft Final Recommendation Report - **Closed** * Proposer to capture amended legal drafting in FRR - **Closed** |
| Mod\_15\_17 Credit Treatment for Adjusted Participants | * Secretariat to draft Final Recommendation Report – **Closed** * Proposer to provide legal drafting containing typo and glossary corrections - **Closed** |
| Mod 16\_17 Funding in Relation to Eirgrid-SONI Payment obligations | * Proposer to review workings of the supplier socialisation funding and provide clarity - **Closed** * Members to provide comments and feedback to [modifications@sem-o.com](mailto:modifications@sem-o.com) by Tuesday 19th December – **Closed** * Proposer to draft version 2.0 addressing the prioritisation of the process in respect of the suspension and accrue aspect - **Closed** |
| Mod\_17\_17 Recovery of costs due to invalid ex-ante Contracted quantities in Imbalance Settlement | * Members to provide comments and feedback to [modifications@sem-o.com](mailto:modifications@sem-o.com) by Tuesday 19th December - **Closed** * Proposer to draft version 2.0 of the proposal taking members comments and feedback onboard - **Closed** |

# Deferred Modifications Proposals

## Mod 13\_17 Deferral of SEM NEMO Credit Reports and Non Accceptance of contracted quantities

Proposer summarised the requirement for this proposal. Proposer addressed the outstanding actions in detail noting that a new proposal had also been raised to codify an obligation on the Market Operator to notify SEM NEMOs whenever a Suspension Order had been issued. It was advised that a manual workaround to provide SEM NEMO Credit Reports appears viable and will be confirmed once process development and testing have been completed. Questions were raised in relation to when the workaround would be finally confirmed and what it entailed. It was advised that this should be confirmed at the February Committee meeting and involved manual provision of the SEM NEMO Credit report to be issued via email. Proposer advised that they had considered whether it was appropriate to add a provision to require SEM NEMOs not to submit Ex Ante contracts where a Suspension Order has been issued or Contract Refusal triggers in relation to Credit Breaches occur and that they were happy to include this as an enduring provision in a second version of the proposal on the basis that it provides additional mitigation. Members wished to have final confirmation of the workaround and review a further version of this proposal with additional detail on this provision and the workaround prior to moving to a vote.

Decision

The proposal was Deferred.

**Actions :**

* Proposer to provide version 2.0 of this proposal - **Open**

## mod 16\_17 Funding in Relation to Eirgrid-SONI Payment obligations

Proposer delivered a [presentation](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/Mod_16_17%20Jan%202018.pptx) summarising the changes and rationale behind this latest version. This version sought to capture all member feedback submitted since the last Modifications Committee meeting. Discussion took place covering imperfection charges, supplier tariffs and notice, suspension and accrual of generator payments and a flagging of the level of depletion of the contingency fund process. It was clear that a lack of consensus as between prioritisation between increasing Imperfections Charges on suppliers or applying Suspend and Accrue to generators remains. A less prescriptive approach to what should happen on depletion of the contingency fund was ultimately thought to be the best way forward.

Committee sought a final version of this proposal to be issued that will then be voted on at an Emergency Meeting.

Decision

The proposal was Deferred.

**Actions :**

* Proposer to consider including some high level detail on which actions could be taken and why, including that increasing capital will be considered first without fettering the process by introducing a prescriptive hierarchy of actions – **Closed**
* Proposer to clarify notification/reporting process whenever fund reaches certain limits – **Closed**
* Proposer to consider including text clarifying when suspend and accrue provisions can be invoked – **Closed**
* Secretariat to schedule emergency meeting – **Closed**

## Mod\_17\_17 Recovery of Costs due to Invalid Ex-Ante Contracted Quantities in ImBalance Settlement

Proposer delivered a [presentation](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/Mod_17_17%20Invalid%20Contracted%20Quantities%20Mod%20-%20Presentation%2025012018%20v4.pptx) summarising the changes and rationale behind this latest version. Members welcomed the significant changes in this version to account for Committee comments that the risks involved should be dealt with by SEMOpx and not Balancing Market Participants. Proposer advised that they had had detailed discussions with SEMOpx service providers to deliver an agreeable proposal which ensures that the risk involved will remain with SEMOpx/ ECC and not be placed on Balancing Market Participants that are not at fault. Members were not happy to vote on this until they had reviewed this detailed legal drafting of the latest version of the proposal which had not yet been provided due to the recent agreement of the changes with service providers.

Proposer advised that what is in the latest proposal is intended to ensure that a workable solution is in place for I-SEM go live and noted a desire to minute the commitment of the Modifications Committee to revisit this issue post go live as a Day 2 item. Proposer further requested that such a commitment is noted by the Regulatory Authorities in the approval letter should approval be granted

Committee will review the final version of this proposal to be issued that will then be voted on at an Emergency Meeting.

Decision

The proposal was Deferred.

**Actions :**

* Proposer to issue final version of this proposal for review – **Open**
* Secretariat to schedule emergency meeting – **Closed**

## mod\_18\_17 Net Inter Jurisdictional Import Submission

Proposer delivered a [presentation](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/Mod_18_17%20Part%20B%20Net%20Inter%20Jurisdictional%20Import%20Submission.pptx) summarising the requirement for this proposal. Proposer advised that data was no longer required in the market due to the global aggregation calculation, to which the data is an input, not applying in Part B where a tariff based approach has been introduced. Proposer advised that similar data is available on the SONI website and the TSO Member also confirmed that a SONI website project was underway and that this data would continue to be available from the site.

Committee were in agreement to vote on this proposal.

Decision

The proposal was Recommended for Approval.

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| **Recommended for Approval** |

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Paddy Finn | DSU Member | Approved |
| Kevin Hannafin | Generator Member (Chair) | Approved |
| William Carr | Generator Member | Approved |
| Cormac Daly | Generator Member | Approved |
| Brian Mongan | Generator Member | Approved |
| William Steele | Supplier Member | Approved |
| Jim Wynne | Supplier Member | Approved |
| Julie-Anne Hannon | Supplier Member | Approved |

**Actions :**

* Secretariat to draft Final Recommendation Report - **Open**

# New Modifications Proposals

## mod\_03\_18 Autoproducer credit cover

Proposer delivered a [presentation](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/Presentation.pptx) summarising the requirement for this proposal. Proposer addressed the collateral impacts that will be experienced and advised that this proposal was needed to correct the Trading & Settlement Code.

It was suggested that this issue will also affect DSU participants. MO Member advised that they were reviewing DSU impacts since this had only been raised the previous day. Members and observers where in broad agreement that this was something that needed to be addressed however it was also communicated that this proposal may address the Autoproducer issue for the proposer but may not work for all Autoproducer set ups or DSU participants. MO Member noted that the system change to deliver the proposal as drafted could not be done for I-SEM go live given how imminent it is.

MO Member advised that an interim modification to address the issue until an enduring solution can be included in the market systems should be possible. MO Member advised that this may involve provisions to treat affected Participants as Adjusted Participants along with bespoke rules on the volumes to apply to the Adjusted Participant calculations but that this needed to be further investigated to ensure a robust treatment.

It was agreed that a Working Group should be set up to explore this issue and develop this proposal for the enduring solution. It was also agreed that an additional proposal will be raised in the short term to mitigate this issue for go-live.

Decision

The proposal was Deferred.

**Actions :**

* MO Member to develop new proposal to address short term solution for go-live - **Open**
* Proposer to liaise with Working Group to develop version 2.0 of this proposal following the establishment of said Working Group - **Open**
* Secretariat to establish a Working Group – **Open**

## mod\_01\_18 Notification of suspension to sem Nemo’s

Proposer delivered a [presentation](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/Mod_01_18%20Notification%20of%20Suspension%20to%20SEM%20NEMOs.pptx) summarising the requirement for this proposal. Proposer advised of swim lane changes that would be captured in the legal drafting since they couldn’t be included in the proposal due to an administrative issue. Proposer advised that the proposal was raised at the request of the Modifications Committee to address an issue whereby SEMO are not currently obliged under the Code to notify SEM NEMOs that a Suspension Order has been issued (although it was accepted that this was part of SEMOs internal process).

Committee were in agreement to vote on this proposal subject to legal drafting changes.

Decision

The proposal was Recommended for Approval.

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| **Recommended for Approval – subject to legal drafting** |

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Paddy Finn | DSU Member | Approved |
| Kevin Hannafin | Generator Member (Chair) | Approved |
| William Carr | Generator Member | Approved |
| Cormac Daly | Generator Member | Approved |
| Brian Mongan | Generator Member | Approved |
| William Steele | Supplier Member | Approved |
| Jim Wynne | Supplier Member | Approved |
| Julie-Anne Hannon | Supplier Member | Approved |
| Gerry Halligan | MDP Member | Approved |
| Adelle Woods | MDP Member | Approved |
| Anne Trotter | TSO Alternate | Approved |
| Marie-Therese Campbell | TSO Member | Approved |

**Actions :**

* Secretariat to draft Agreed Procedure Notification – **Open**
* Proposer to capture amended legal drafting – **Open**

## mod\_02\_18 Meter Data Publication timing

Proposer delivered a [presentation](http://www.sem-o.com/MarketDevelopment/ModificationDocuments/Mod_02_18%20Meter%20Data%20Publication%20Timing.pptx) summarising the requirement for this proposal. Proposer advised that the proposal seeks to correct an issue whereby data submission timings were changed to a Week Day basis (as opposed to every day) for I-SEM but publication timings were not aligned. Proposer noted that, without the proposed change, the associated publications would either be blank or incomplete on certain days. It was confirmed that the publications on the Week Day basis would capture all relevant non-Week Day information also, ensuring no data will be omitted in publications (e.g. a Monday publication will include the data from the immediately previous Saturday and Sunday).

Committee were in agreement to vote on this proposal.

Decision

The proposal was Recommended for Approval.

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| --- |
| **Recommended for Approval** |

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Paddy Finn | DSU Member | Approved |
| Kevin Hannafin | Generator Member (Chair) | Approved |
| William Carr | Generator Member | Approved |
| Cormac Daly | Generator Member | Approved |
| Brian Mongan | Generator Member | Approved |
| William Steele | Supplier Member | Approved |
| Jim Wynne | Supplier Member | Approved |
| Julie-Anne Hannon | Supplier Member | Approved |

**Actions :**

* Secretariat to draft Final Recommendation Report - **Open**

# AOB/upcoming events

**Upcoming Modifications**

MO Member discussed possible future modifications noting that none of the material presented represented a deviation from existing SEM Committee policy decisions and that further detail would be provided in due course.

Calendar updates

* Mods Meeting 80 – Emergency Meeting : 7th February 11.00am – 12.00pm
* Mods Meeting 81 – 28th February 2018 : Dublin
* 2018 Schedule to be issued shortly

# Appendices

## Appendix 1 - Secretariat Programme of Work as discussed at meeting 79

|  |  |  |
| --- | --- | --- |
| **Status as at 25th January 2018** | | |
| **Modification Proposals ‘Recommended for Approval’ without System impacts** | | |
| **Title** | **Sections Modified** | **Sent** |
| Mod\_07\_17 : Credit Assessment Volume for Generator Units | T&SC Part B  Clause G.14.4.1  Glossary Part B  Definition - Credit Assessment Volume  Variable - VCAG | 28 November 2017 |
| Mod\_08\_17 : Decremental Price Quantity Pair Submission | T&SC Part B  D.4.1.1, D.4.4.2, D.4.4.10, D.4.4.11 | 28 November 2017 |
| Mod\_09\_17 : Solar in I-SEM | See Mod Proposal | 28 November 2017 |
| Mod\_11\_17 : Deferral of Information Imbalance Charges | Part B Section H.6  Part B Appendix G paragraph 14  Part B Glossary | 28 November 2017 |
| Mod\_06\_17 Transitional Credit Cover Provisions | Part C Introduction, Part C Section 11, Part C Glossary and Part C Appendix | 10 January 2018 |
| Mod\_10\_17 Ex-Ante Quantities Deferral | Part B Section F  F.5.2.6  F.5.2.7  F.5.2.8  F.5.2.9  Part B Section H.8  H.8.1  H.8.2  H.8.3  H.8.4 | 10 January 2018 |
| Mod\_12\_17Outage Adjusted Wind and Solar Forecast Reports | Part B Appendix E Table 4  Part B AP06 Appendix 2 | 23 January 2018 – issued for committee review |
| Mod\_14\_17 Part B Suspension When Suspended Under Part A | T&SC Part B Section B.18.3.1 | 23 January 2018 – issued for committee review |
| Mod\_15\_17 Credit Treatment for Adjusted Participants | T&SC Part B;  G.12.4.3, G.14.1.2, G.14.1.3, G.14.3, G.14.3.1, G.14.3.2, G.14.3.3, G.14.4, G.14.4.1, G.14.4.2, G.14.5, G.14.5.1, G.14.5.2, G.14.6, G.14.6.1, G.14.8 and G.14.8.1  Glossary Part B;  Adjusted Participant, Credit Assessment Adjustment Factor and Variable FCAA  Agreed Procedures Part B;  2.11.2 | 23 January 2018 – issued for committee review |
| **Modification Proposals ‘Recommended for Approval ’ with System impacts** | | |
| N/A | N/A | N/A |
| **Modification Proposals ‘Recommended for Rejection’** | | |
| Mod\_02\_17 Unsecured Bad Energy Debt and Unsecured Bad Capacity Debt Timelines | T&SC Section 6.5  AP15 | 25 August 2017 |
| **RA Decision ‘Further Work Required’** | | |
| N/A | N/A | N/A |
| **RA Decision Approved Modifications with System Impacts** | | |
| Mod\_03\_17 Treatment of Transmission Losses for Trading Sites with Contiguous Autoproducers in I-SEM | I-SEM TSC F.4 | 17 October 2017 |
| **RA Decision Approved Modifications with no System Impacts** | | |
| Mod\_04**\_**17 Solar in the Single Electricity Market | Noted in proposal form | 17 October 2017 |
| Mod\_5\_17 Amendment to Part B Form of Authority for the purpose of removing the Restricted Authority provision | Appendix C – Form of Authority | 17 October 2017 |
| **RA Decision Rejected** | | |
| N/A | N/A | N/A |
| **AP Notifications** | | |
| N/A | N/A | N/A |
| **Withdrawal Notifications** | | |
| N/A | N/A | N/A |
| **Modification Proposal Extensions** | | |
| N/A | N/A | N/A |
| * **Meeting 80 – 28 February : Dublin** * **Meeting 81 – 28 March : Belfast** | | |