

Single Electricity Market

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| Modifications Committee Meeting MinutesMeeting 87dublin/Belfast– conference call24 october 201810.30 – 1.00pm |

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Table of Contents

[1. Semo Update 5](#_Toc530558693)

[2. Review of Actions 5](#_Toc530558694)

[3. Deferred Modifications Proposals 7](#_Toc530558695)

[mod\_03\_18 Autoproducer credit cover 7](#_Toc530558696)

[mod\_25\_18 part b unsecured bad energy debt and unsecured bad capacity 7](#_Toc530558697)

[debt timelines and correction 7](#_Toc530558698)

[4. AOB/upcoming events 9](#_Toc530558699)

[Appendix 1 – Programme of Work as Discussed at Meeting 87 10](#_Toc530558700)

Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 21 November 2018 | 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** |
| [Trading and Settlement Code and Agreed Procedures: **Version 20.0**](http://www.sem-o.com/rules-and-modifications/balancing-market-modifications/market-rules/Part-A-TSC.docx) |
| [Trading and Settlement Code – Part B](http://www.sem-o.com/rules-and-modifications/balancing-market-modifications/market-rules/TSC-Part-B.docx) |
| [Mod\_03\_18 Autoproducer Credit Cover](http://www.sem-o.com/documents/market-modifications/Mod_03_18%20Autoproducer%20Credit%20Cover.docx) |
| [Mod\_25\_18 Part B Unsecured Bad Energy Debt and Unsecured Bad Capacity](http://www.sem-o.com/documents/market-modifications/MOD_25_18/Mod_25_18PartBUnsecuredBadEnergyDebtandUnsecuredBadCapacityDebttimelinesandcorrectionsv2.docx) [Debt Timelines and Correction](http://www.sem-o.com/documents/market-modifications/MOD_25_18/Mod_25_18PartBUnsecuredBadEnergyDebtandUnsecuredBadCapacityDebttimelinesandcorrectionsv2.docx) |

In Attendance

|  |  |  |
| --- | --- | --- |
| Name | Company | Position |
| **Modifications Committee** |
| Adelle Watson | NIE Networks | MDP Member |
| Barry Hussey | CRU | RA Member |
| Chris Goodman  | SEMO | MO Member |
| Katia Compagnoni | SEMO | MO Alternate |
| Gerry Halligan | ESB Networks | MDP Alternate |
| Julie Anne Hannon  | Bord Gais | Supplier Member (Chair) |
| William Steele  | Power NI | Supplier Member  |
| David Gascon | BNM | Generator Alternate |
| Jim Wynne | Electric Ireland | Supplier Member |
| Paraic Higgins | ESB | Generator Member |
| Sinead O’Hare | Power NI | Generator Member |
| Eamonn O’Donoghue | Electroroute | Interconnector Member |
| Anne Trotter | Eirgrid | TSO Alternate |
| Kevin Hannafin | Energia | Generator Member |
| Marie Therese Campbell | SONI | TSO Alternate |
| Philip McDaid | Budget Energy | Supplier Member |
| Robert McCarthy | Captured Carbon | DSU Alternate |
| Karen Shiels | UREGNI | RA Alternate |
| **Secretariat** |
| Esther Touhey | SEMO | Secretariat |
| Sandra Linnane | SEMO | Secretariat |
| **Observers** |
| Brian Mongan | AES | Observer |
| Denis McBride | AES | Observer |
| Stacy Feldman | SSE | Observer |
| Karina Zugewska | EnerNOC | Observer |
| Thomas O’Sullivan | Aughinish | Observer |
| Connor Powell | SSE | Observer |
| Simon Grimes | Eirgrid | Observer |
| Nuala Dunne | Eirgrid | Observer |
| Eamonn Boland | Brookfield Renewable | Observer |
| Brian Sherwin | Eirgrid | Observer |
| Cormac Daly | Tynagh Energy | Generator Member |

# Semo Update

Secretariat welcomed all attendees to the Modifications Meeting. Congratulations were given to Julie Anne Hannon for retaining her position as Chairperson and her ongoing support to the Secretariat was noted. The Vice-Chair will be confirmed shortly.

Minutes for Meeting 85 and Meeting 86 were read and approved and they will be published following the meeting.

**Programme of Work**

Secretariat expressed that this is a very detailed document and a true reflection of the work that has been put in by all. The vast majority of proposals have been approved at RA Decision level and are awaiting a code update. It is hoped that Version 21.0 of the T&SC will be published before the next Modifications meeting on 12 December 2018 or, by latest the end of December 2018.

# Review of Actions

|  |  |
| --- | --- |
| Mod\_03\_18 Autoproducer Credit Cover  | * 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**
* Secretariat to request extension for this modification to be placed on to D+2 - **Open**
 |
| Mod\_06\_18 Clarification of Marginal Energy Action Price Calculation Including Scenario When All Actions Are Flagged | * Review possibility of Plain English document in the longer term **- Closed**
 |
| Mod\_07\_18 Clarifications of Use Of Variable “b” in NIV and Par Tagging Scenarios | * Proposer to assess developing Plain English guide - **Closed**
 |
| Mod\_18\_18 Transitional Regulatory Reporting | * Secretariat to draft withdrawal notice - **Closed**
 |
| Mod\_24\_18 Use of Technical Offer Data in Instruction Profiling / QBOA | * Proposer to explore the proposition for VTOD sets changing at other times during the day as part of the options for implementing the enduring text - **Open**
 |
| Mod\_25\_18 Part B Unsecured Bad Energy Debt and Unsecured Bad Capacity Debt Timelines and Correction | * Proposer to seek financial clarifications on this modification - **Closed**
 |
| Mod\_29\_18 Part B Schedule Production Cost Definition | * MMU to publish statement that will not be monitoring simple bids in reliance with BCOP – **Closed**
 |
| Mod\_30\_18 Market Back Up Price Amendment  | * SEMO to investigate what is involved in including the Intraday Market trades in the manual Market Backup Price calculation and to present this analysis at a future modifications panel meeting once real data is available so that consideration can be given as to whether there would be merit in proposing a further change - **Open**
 |

# Deferred Modifications Proposals

## mod\_03\_18 Autoproducer credit cover

Secretariat advised that a draft Terms of Reference would be circulated to the Committee for their input and review. This input will then be used to draft a second version which will be issued in advance of a conference call that will be scheduled in December. Final comments and discussion will then result in the final version being published with the date for the first working group provisionally scheduled for late January/early February.

A high level summary of the process of a working group was given detailing how as many working groups as required will be convened with the end result being the compilation of a working group report that would provide recommendations to allow the Committee to finalise a potential proposal to the T&SC. Participation in the working group is open to industry and not just the Committee members.

The proposer then gave some details on the current situation and confirmed that the temporary fix is working well in the interim but that they look forward to an enduring solution being developed. DSU member also noted that the working group should consider that this issue not only affects Autoproducers.

## mod\_25\_18 part b unsecured bad energy debt and unsecured bad capacity

## debt timelines and correction

The proposer delivered a presentation summarising the requirement for this proposal. It was confirmed that the proposed Code changes would introduce and use definitions for “SEM debtors” and “Increased Participants” in order to address inconsistencies in the current drafting on Shortfalls and Unsecured Bad Debt.

The proposer also noted that the proposed modification would specify the timelines for additional payments due where a Participant is an Increased Participant so that such an additional payment is required as the result of an Unsecured Bad Debt. It was noted that this modification would tidy up the wording in the code where this is currently inconsistent with the algebraic formulation of the mechanism. The proposer also noted that a change to the timing of payments out where an Unsecured Bad Debt occurs under Part B of the Code was also included. They noted that this was in line with a recent change to Part A.

A discussion ensued around the impact of the timing change for payments out on Generation Participants and when Participants would be notified that an Unsecured Bad Debt event had occurred. It was confirmed by the presenter that Participants will be informed by a Market message shortly after 12.00pm on the day when the event occurs as this is when the time to remedy expires.

A Supplier Member stated their view that the existing payment out timelines should be achievable so that they did not agree with the proposal to change this. The MO Member noted that SEMO had investigated the possibility of meeting the existing timeline and confirmed that it was not possible to guarantee that that timeline could be met but noted that the proposed change to instruct payments one the day ensured that payments would still be made as early as possible while ensuring that the Codified obligation was achievable.

It was noted that Unsecured Bad Debt had not occurred to date and that various mitigation measures exist to ensure that this remains an unlikely event. A Supplier Member noted enduring concerns in relation to the proposed payment out timings following an Unsecured Bad Debt event and the proposed payment due timings for those with a payment due to the Market Operator as a result of an Unsecured Bad Debt and no Settlement Reallocation Agreement in place.

Decision

This Proposal was Recommended for Approval by majority vote.

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

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| --- |
| **Recommended for Approval by Majority Vote** |
| Julie Anne Hannon | Supplier Member (Chair) | Approved |
| William Steele | Supplier Member | Approved |
| David Gascon | Generator Alternate | Approved |
| Paraic Higgins | Generator Alternate | Approved |
| Sinead O’Hare | Supplier Member | Abstain |
| Eamonn O’Donoghue | Interconnector Member | Approved |
| Philip McDaid | Supplier Member | Approved |
| Robert McCarthy | DSU Alternate | Approved |
| Kevin Hannafin | Generator Member | Approved |
| Jim Wynne | Supplier Member | Approved |

**Actions :**

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

# AOB/upcoming events

Day 1+ and Day 2 Update

An Observer representing I-SEM project delivered an update on the approach for Day 1+ and Day 2 phases of the project. The Observer noted that the scope for both work streams were still being finalised and that Day 1+ would mainly consist of fixes of defects to address known issues or items which were de-scoped from go live, whereas Day 2 concerns the delivery of new functionality.

It was noted that further details on this will be provided at the PMG on 6 November 2018 and that the Modifications Committee would also be kept informed of developments and the scope of the projects as they progress. The secretariat confirmed that there will be a specific Day 1+ and Day 2 update in December and an IT update as a standing agenda item thereafter A Generator Member raised a concern in relation to Imbalance Price events and financial impact to participants caused by the triggering of Reliability Options. The RA Member emphasised that the purpose of the Modifications Committee is to discuss Modification Proposals and that more general discussion such as this should be raised at other forums, such as Market Operator User Group, while noting that if a Code change was desired by Participants that a Modification Proposal should be raised and discussed by the Panel. The RA Member also noted that the Regulatory Authorities are aware of these concerns and are monitoring the situation.

Summary of Upcoming Proposals

The MO Member gave a summary of the eight potential proposals that are likely to be raised going forward and noted the Market Operator is progressing them and that a subset of them will be raised for the next Modifications Committee meeting in December. The MO Member noted that some of the items being considered are still under investigation and that they will be progressed accordingly depending on the outcome of those investigations.

# Appendix 1 – Programme of Work as Discussed at Meeting 87

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| **Status as at 24 October 2018** |
| **Modification Proposals ‘Recommended for Approval’ without System impacts** |
| **Title** | **Sections Modified** | **Sent** |
| N/A | N/A | N/A |
| **Modification Proposals ‘Recommended for Approval ’ with System impacts** |
| N/A | N/A | N/A |
| **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\_17 Treatment of Transmission Losses for Trading Sites with Contiguous Auto producers in I-SEM | I-SEM TSC F.4 | 19 October 2017 |
| **RA Decision Approved Modifications with no System Impacts** |
| Mod\_02\_17 Unsecured Bad Energy Debt and Unsecured Bad Capacity Debt Timelines | T&SC Section 6.5AP15 | 27 September 2018 |
| Mod\_06\_17 Transitional Credit Cover Provisions | Part C Introduction, Part C Section 11, Part C Glossary and Part C Appendix | 26 February 2018 |
| Mod\_14\_17 Part B Suspension When Suspended Under Part A | T&SC Part B Section B.18.3.1 | 29 March 2018 |
| Mod\_14\_18 Change to timing of publication of Trading Day Exchange Rate  | T&SC Part BPart B Appendix EAgreed Procedures Part BGlossary Part B | 27 August 2018 |
| Mod\_17\_18 Transitional Provisions for Cutover | Part C Sections 12 through 14 (new sections) | 27 September 2018 |
| Mod\_04**\_**17 Solar in the Single Electricity Market | Noted in proposal form | 24 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 | 24 October 2017 |
| Mod\_07\_17 : Credit Assessment Volume for Generator Units | T&SC Part B Clause G.14.4.1Glossary Part BDefinition - Credit Assessment Volume Variable - VCAG | 6 February 2018 |
| 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 | 6 February 2018 |
| Mod\_09\_17 : Solar in I-SEM | See Mod Proposal | 6 February 2018 |
| Mod\_10\_17 Ex-Ante Quantities Deferral | Section FF.5.2.6F.5.2.7F.5.2.8F.5.2.9Section H.8H.8.1H.8.2H.8.3H.8.4 | 26 February 2018 |
| Mod\_11\_17 : Deferral of Information Imbalance Charges | Part B Section H.6Part B Appendix G paragraph 14Part B Glossary | 9 February 2018 |
| Mod\_12\_17Outage Adjusted Wind and Solar Forecast Reports | Part B Appendix E Table 4Part B AP06 Appendix 2 | 29 March 2018 |
| Mod\_13\_17 Deferral of SEMO NEMO Credit Reports and Non Acceptance of Contracted Quantities | Part B clauses G.12.2, G.12.3, F.2.2.3, B.19.2.1, H.9 and H.10Part B Agreed Procedure 09 sections 2.5.2 and 3.1New Glossary Definition – Mod\_XX\_17 Deployment Date | 22 June 2018 |
| 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.14.8.1Glossary Part B;Adjusted Participant, Credit Assessment Adjustment Factor and Variable FCAAAgreed Procedures Part B;2.11.2 | 29 March 2018 |
| Mod\_16\_17 Funding in Relation to Eirgrid/SONI Payment Obligations | T&SC Part BGlossary Part B | 20 April 2018 |
| Mod\_17\_17 Recovery of Costs due to Invalid Ex-Ante Contracted Quantities in Imbalance Settlement | T&SC Part BSection G | 20 April 2018 |
| Mod\_18\_17 Net Inter Jurisdictional Flow Submission  | Appendices – Appendix LGlossaryAgreed Procedure 16 – 1.2, 2.2, 2.3, Appendix 1 | 27 September 2018 |
| Mod\_04\_18 Reporting and Publication for Operational Schedules, Dispatch Instructions, Forecast Availability and SO Trades  | Part B Appendix E Tables 4 and 8 new Table 10Part B Agreed Procedure 6 Appendix A | 20 June 2018 |
| Mod\_05\_18 Clarification of Administered Scarcity Pricing function for scenarios not yet covered in rules | T&SC Part BSection E.4.2, E.4.3 | 20 June 2018 |
| Mod\_06\_18 Clarification of Marginal Energy Action Price calculation including scenario when all actions are flagged | T&SC Part BE 3.4.2 | 21 June 2018 |
| Mod\_07\_18 Clarification of use of variable “b” in NIV and PAR tagging scenarios | Appendix N | 27 August 2018 |
| Mod\_08\_18 Clarification of rules used to determine the value of Price Average Reference Tag (TPAR) | Appendices Part BAppendix N clauses 11,12 and 13 | 21 June 2018 |
| Mod\_09\_18 Interim Credit Treatment for Participants with Trading Site Supply Units | T&SC Part BGlossary Part BSection H | 27 August 2018 |
| Mod\_10\_18 Amendment to Capacity Settlement Publication from Monthly to Daily | Part B section G.2.5.2Part B Agreed Procedure 15 section 3.2 (Table and Swimlanes) | 20 June 2018 |
| MOD\_11\_18 Correction of Minor Material Drafting Errors | Sections F&G | 20 June 2018 |
| Mod\_13\_18 Calculating Obligated Capacity Quantities for Units Not Yet Commissioned | T&SC Part BSection F | 27 August 2018 |
| Mod\_15\_18 Clarifications for Instruction Profiling | Appendix O | 27 August 2018 |
| Mod\_16\_18 Interim Suspension Delay Periods | Part B Section H Glossary | 27 August 2018 |
| Mod\_19\_18 Part B Housekeeping 1 | Part B Sections B, E, F and GPart B Appendices E, H and IPart B Glossary Definitions and List of Variables and Parameters | 27 September 2018 |
| Mod\_20\_18 Agreed Procedures Update V2 | Agreed Procedure 1 Section 2Agreed Procedure 4 Section 2Agreed Procedure 15 Section 2Agreed Procedure 17 Section2 | 27 September 2018 |
| Mod\_21\_18 Application of Settlement Reallocation Agreements to Market Operator Charges & Settlement Document Definition & Usage | Section 5 of TSC, Part B | 27 September 2018 |
| Mod\_22\_18 Part B Credit Cover Signage and Subscript Correction | Part B Section G.14Part B Glossary List of Subscripts | 27 September 2018 |
| Mod\_24\_18 Use of Technical Offer Data In Instruction Profiling / QBOA | Chapter HAppendix O | 27 September 2018 |
| Mod\_26\_18 Market Back Up Price Reference Corrections | Part B Sections E and G | 27 September 2018 |
| Mod\_28\_18 Ordering of Pseudo Dispatch Instructions for QBOA with the same instruction Issue Time and Instruction Effective Time | Appendix O | 27 September 2018 |
| Mod\_29\_18 Part B Schedule Production Cost Definition | Definitions | 27 September 2018 |
| Mod\_30\_18 Market Back Up Price Amendment | Part B Section E | 27 September 2018 |
| Mod\_31\_18 Imbalance Pricing During Outages of the Imbalance Pricing System | Part B Section E.2.2.3 | 27 September 2018 |
| **RA Decision Rejected** |
| Mod\_27\_18 Interim arrangements in Appendix O for Instruction Profiling and Bid Offer Acceptance Quantity Outcomes in a Subset of Undo Scenarios | Chapter H | 27 September 2018 |
| **AP Notifications** |
| Mod\_01\_18 Notification of Suspension to SEM NEMOs | AP 18 Suspension and TerminationSection 3.3 – Issuing a Suspension Order | 5 April 2018 |
| Mod\_02\_18 Meter Data Publication Timing | AP06 Appendix 2 – Report Listing | 27 September 2018 |
| Mod\_12\_18 Modification to Part B Agreed Procedure 17 | Agreed Procedure 17 Part B | 27 September 2018 |
| MOD\_23\_18 Payment and Invoice Day Exchange for Part A Currency Costs Post Cutover | Part A Agreed Procedure 15 Appendix 1 | 27 September 2018 |
| **Withdrawal Notifications** |
| Mod\_18\_18 Transitional Regulatory Reporting | Part C section 16 (new section) | N/A |
| **Modification Proposal Extensions** |
| Mod\_03\_18 Autoproducer Credit Cover | G4 to G15 | N/A |
| * **Meeting 88 –12 December 2018 – Dublin**
 |