



Single Electricity Market

MODIFICATIONS COMMITTEE MEETING MINUTES

MEETING 102
CONFERENCE CALL
3 DECEMBER 2020
10.00AM – 2.00PM

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Document History

Version	Date	Author	Comment
1.0	10 th Dec 2020	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0	17 th Dec 2020	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_12_20 Amendments to DRB Process
Mod_13_20 Transparency of DRB decisions

In Attendance

Name	Company	Position
Modifications Committee (voting members)		
Ian Mullins	Bord Gais	Supplier Member
Alan Mullane	ElectroRoute	Assetless Member
Sean McParland	Energia	Generator Alternate
Stacy Feldmann	SSE	Generator Member
Robert McCarthy	Electricity Exchange	DSU Member
David Gascon	Bord na Mona	Generator Alternate
Eamonn Boland	Brookfield Renewable	Supplier Alternate
Paraic Higgins (Chair)	ESB	Generator Member
Bryan Hennessy	Naturgy Limited	Supplier Member

Philip Carson	Power NI	Supplier Member
Modifications Committee (Non-Voting Members)		
Vivienne Price	SONI	SO Alternate
Adelle Watson	NIE Networks	MDP Member
Grainne Black	CRU	RA Member
Karen Shiels	UR	RA Alternate
Anne Trotter	EirGrid	SO Member
Chris Goodman	SEMO	MO Member
Cormac Daly	Tynagh Energy	Generator Member
Leigh Greer	UR	RA Member
Gina Kelly	CRU	RA Alternate
Katia Compagnoni	SEMO	MO Alternate
Secretariat		
Sandra Linnane	SEMO	Secretariat
Esther Touhey	SEMO	Secretariat
Observers		
Thomas O'Sullivan	Aughinish	Observer
Rochelle Broderick	Budget Energy	Observer
Paul McGuckin	Moyle Interconnector	Observer
Niamh Delaney	EirGrid	Observer
Mark Needham	EirGrid	Observer
Wallace McKee	Power NI	Observer
Conall Heussaff	CRU	Observer

1. SEMO UPDATE

The Secretariat welcomed all to Modifications Committee Meeting 102. The minutes for Meeting 101 were read and approved.

The RAs provided an update on the outstanding Final Recommendation reports on the Programme of Work. It was advised that both Mod_10_20 and Mod_03_18 were on the agenda for the Oversight Meeting to be held in a week's time with a decision due to follow shortly after.

It was further noted that Mod_01_20 was being considered in more details in the context of the EBGL consultation following an impact assessment received in October. The RAs advised that they still maintained the view that this Modification can be considered on its own benefit but changes in the same area may be needed following the consultation and there may be value in bundling these changes together.

A Generator Member raised concerns about delaying the decision on Mod_01_20 and noted that if they wait for consultation then the Modification may not be implemented until the end of 2022. There would be a desire not to delay any longer given the costs that could be associated with doing this.

A suggestion was made by a Generator Alternate to consider progressing with the Modification's approval and then do a further check with EBGL consultation to ensure there are no conflicts.

Secretariat continued with the updates advising the Committee that the Code Update was in progress and it was scheduled to be published before the Christmas break. It was also noted that links to the 2021 yearly schedules would be issued shortly.

Secretariat concluded with thanking the MO Member, Christopher Goodman for his time and support on the Committee. The Chair echoed this support and gave thanks to the great contribution provided.

Market Development

The Presenter gave an update on upcoming releases. It was advised that system changes associated with Mod_03_19, Mod_08_19, Mod_20_19 and Mod_21_19 were all contained in Release G which will be deployed in June 2021. It was also noted that the bulk of the testing was underway and the vendors were happy with the progress being made.

It was confirmed that the scope for Release H would be closing before the end of the month with a plan for deployment in October. It was advised that in order for Modifications to be included in the next available Release I, submission would need to happen 10 months beforehand.

SEMO went through the open actions stating that further analysis on Mod_17_19 is now taking place following a recent system event on November 26th that resulted in an Imbalance Price above the Price Strike and an update on DSU State Aid approach will be given as per long term action assigned to SEMO as it appears that there may have been issues in the actual implementation of the Modification.

A DSU Member advised that there is currently a disconnect on the variables set up on the Settlement Document and how they are reflected in the T&SC rules. A request was made to be provided with the documents on this. SEMO noted that this was highlighted at the end of the design phase. SEMO went on to further discuss how there were 3 sub variables for the purpose of VAT calculation and appreciated that this may not be reflected transparently in the Code but as mentioned in the design phase, the sum of the 3 variables will equate to the value arising from the Modification equation. DSU Member voiced their concern noting that from a legal standing payments they are receiving are not what is currently stipulated in the Code and if these payments are incorrect what is the legal recourse of this. SEMO agreed to take this point offline and include the 3 sub variables in the Glossary or at least have a reference to them.

A Generator Member expressed his confusion on how the Modification was written in the Code but implemented differently. SEMO assured that there were some issues with the treatment of VAT and they had to split the variable CEADSU into 3 sub variables and noted that this only became apparent when the implementation design was in its final stages. Concern was raised again by DSU Member that there was currently nothing in the Code to confirm the above. SEMO provided assurance that they would work together with the DSU Member to clarify this in the Code.

With regard to the open action on Mod_03_18, SEMO mentioned they didn't have the resources and the scope to engage with the Proposer as yet but they would be scheduling this in the New Year. SEMO advised that the best course of action would be to reject the original proposal and submit a new one. As there was already a lot of work completed on the original Modification, assurance was given that the new Modification would be a lot simpler. It was confirmed that an agreed solution will be then submitted to the Modifications Committee for review.

Finally an update on the action for Mod_06_20 was provided. It was noted that Secondary Trading was now active for the past few weeks and a request for comments of whether the Monthly Load Forecast was useful for that purpose was expressed. All agreed that February 2021 would be a good time to review this Modification and gather more data to that regard. A Generator Member requested information on when the December Monthly Load Forecast file would be released. TSO agreed to take an action to check this.

The RAs confirmed that Mod_11_20 had been withdrawn and a spreadsheet was to be created to provide a platform for options to discuss alternatives. Following this a new Modification would be raised. Secretariat confirmed that Thursday, 14th January was available for an industry call to take place.

New Actions:

- SEMO to provide clarification in the Code / AP on the 3 sub variables used in implementation of Mod_17_19 – **Open**
- TSO to provide an update on when the December file will be released in relation to Mod_06_20 – **Open**

<p>MOD_13_19 Payment for Energy Consumption in SEM for non-energy Services Dispatch</p>	<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 – Closed • Secretariat to convene a Working Group in September / October 2020 – Closed • Proposer to provide an update at the August Meeting - legal drafting to be progressed to lead on to Working Group in September / October - Closed
<p>MOD_15_19 Clarification to the description of the role of the Dispute Resolution Board under the TSC</p>	<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
<p>MOD_17_19 DSU State Aid Compliance Interim Approach</p>	<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
<p>MOD_06_20 Removing the Requirement for a Monthly Load Forecast</p>	<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
<p>MOD_07_20 Balancing Modifications Committee Composition and constitution definitions</p>	<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 - Closed
<p>Mod_10_20 Rescind CCIN via email when indicative settlement is delayed and settlement team can verify meter volumes</p>	<ul style="list-style-type: none"> • Proposer to quantify the current impact on over-collateralization to Participants is – Closed
<p>Mod_11_20 Definition of a Supplier Member</p>	<ul style="list-style-type: none"> • RAs to bring forward a number of proposals for Members to discuss – Open • Proposer to arrange an industry call and send an email to Participants to provide

	<p>comments for discussion - Open</p> <ul style="list-style-type: none"> • Secretariat to issue Withdrawal Notification – Closed • RAs to issue a summary note and outcomes in preparation of upcoming industry call - Open
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2. DEFERRED MODIFICATION PROPOSALS

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

Secretariat provided an update on this Modification noting that all actions have been completed. It was confirmed that a Working Group would be held on Thursday, 10th December 2020 to discuss solutions raised. A final version of this proposal would be submitted for the February meeting.

Decision

This Proposal was deferred.

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

It was advised that v2 of this proposal was currently active until a withdrawal request was made by the RAs. The RAs advised that this withdrawal notification would not be issued just yet as further discussions on the new Modification would need to take place. In the meantime two new Modifications have been submitted to progress items where consensus could be reached.

Decision

This Proposal was deferred.

MOD_06_20 REMOVING THE REQUIREMENT FOR A MONTHLY LOAD FORECAST

Secretariat confirmed that data will be reviewed by Participants and referred back to the Panel in February 2021 to finalize the outcome on this Modification.

Decision

This Proposal was deferred.

3. NEW MODIFICATION PROPOSALS

MOD_12_20 AMENDMENTS TO DRB PROCESS

The Proposer introduced the Modification Proposal noting that it aims to target 2 improvements around the Dispute Resolution Board. The first change was to ensure that if disputing parties could not agree on the number of parties to make a decision then the figure would fall to 3 Members. It was advised that there would be a change to B.19.6.3 and AP14.

The second change would include that a provision would be made that a Modification Proposal could be suggested by the DRB if an issue was found in the interpretation of the T&SC.

DSU Member gave support to the Modification but suggested it may work better if the DRB would be able to get the Regulator or Market Operator to propose who submits the Modification as currently there is no obligation on anyone to propose this to the Committee. The Proposer agreed with the comment and assured that drafting would be included to clarify this. It was advised if it is part of a decision a new Modification would be recommended directly by the DRB and this would close off the ability on the RA side. It would then be progressed if deemed necessary. A Supplier Member and Generator Member agreed that industry should propose a Modification if one needed. With the dispute made public a decision could be made on what changes were needed and how the Code could be improved going forward.

A discussion ensued on how to draft this into the Code with a Generator Member suggesting the update was made in the Agreed Procedures as an action step instead of having it in the main body of the T&SC. This way would ensure that the step was captured.

SEMO proposed that if this was put as an action, the action would be to refer the issue back on the Modifications Committee which would have the final say on how to progress the Modification and whether to assign it to a Member to submit it. After agreement from Members on SEMO's proposal, the Chair summarized that there was no need for a version 2 to this Modification but rather an update to the legal drafting to be captured in the FRR.

Decision

This Proposal was Recommended for Approval subject to legal drafting changes in the FRR.

Recommended for Approval by Unanimous Vote		
Paraic Higgins (Chair)	Generator Member	Approve
Eamonn Boland	Supplier Alternate	Approve
Sean McParland	Generator Alternate	Approve
Robert McCarthy	DSU Member	Approve
Ian Mullins	Supplier Member	Approve
David Gascon	Generator Alternate	Approve
Bryan Hennessy	Supplier Member	Approve
Philip Carson	Supplier Member	Approve
Stacy Feldmann	Generator Member	Approve

Alan Mullane	Assetless Member	Approve
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Actions:

- Secretariat to draft a Final Recommendation Report – **Open**
- RAs to forward legal drafting for inclusion in to a Final Recommendation Report - **Open**
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MOD_13_20 TRANSPARENCY OF DRB DECISIONS

The Proposer provided a background on this Modification Proposal advising that following a DRB decision the only requirement on SEMO is to provide an update on the achieved resolution but this does not include the publication of the content of a decision. The Proposer noted that this would help to identify Modifications to improve and reduce the overall number of disputes.

It was explained that there was some drafting to this extent in Mod_15_19. The Proposer noted that the points are addressed in section B.19.10 of the legal drafting where it states a copy of the decision will be sent to the Market Operator to discuss with disputing parties. Changes would also be introduced in the Agreed Procedures where it will note that the decision is to be sent in 30 days. It was also advised that if there is notice of dis-satisfaction timelines need to be reviewed. This would be a part of the Dispute Resolution Agreement.

A Supplier Member queried if it was possible for disputing parties to have a veto if an agreement could not be reached in 15 days regarding the content of the publication. It was noted the new timelines were introduced to help and it was important for all participants to be satisfied their views are respected. The Proposer asked the Committee if they thought any further clauses were needed and if any other views were held.

A number of Members highlighted some changes to be made to the legal drafting regarding clarity by adding a clause to prevent information to be ‘unreasonably withheld’ and being consistent with the use of ‘days’ and ‘working days’.

An Assetless Member noted the high transparency of the current market but believed that when discussing this Modification a lot of emphasis was given to confidentiality and redaction. It was queried what kind of principle was being upheld in this area. The Proposer advised that copies of DRB decisions have been seen by the RAs and the Committee needed to decide how comfortable they were with these decisions being public as they may contain a variety of data or information that may be of confidential nature. The Proposer assured the Committee that the aim was to create a safe place for disputing parties and to strike a balance between transparency and protecting sensitive business data. A discussion ensued around redacted documents and if the DRB could have the final decision on what is published rather than the disputing parties.

The Proposer agreed that there were a number of changes that need to be reviewed and an updated version would be submitted for the February meeting.

Decision

This Proposal was deferred.

Actions:

- Proposer to submit Version 2 with updated legal drafting to include provisions for ‘unreasonably withheld information’ and to align timelines to working days - **Open**

4. AOB/UPCOMING EVENTS

SEMO provided a brief update on upcoming Modifications noting that a Housekeeping Modification was in progress with a few more items to add before submission.

Secretariat thanked all for their attendance noting that Modifications Meeting 103 will be held on Thursday, 11th February 2021.

APPENDIX 1 – PROGRAMME OF WORK AS DISCUSSED AT MEETING 102

Status as at 3 December 2020		
Modification Proposals ‘Recommended for Approval’ without System impacts		
Title	Sections Modified	Sent
Mod_10_20 Rescind CCIN via email when indicative settlement is delayed and settlement team can verify meter volumes	Section G, AP 9 and Glossary	Sent for RA decision 24/11/20
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	Deployed in the system on 3 rd November 2020 – decision to make effective or not mid 2021 following EBGL consultations
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	F.3.3.2	4 November 2020

Required Information is not Available		
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	8 November 2020
Mod_22_19 Correction of QUNDELLOTOL calculations to convert TOLUG and TOLOG to MWh	F	First settlement following release date (TBD)
RA Decision Approved Modifications with no System Impacts		
Mod_05_20 Provisions for the Settlement of CEADSU	Section H	1 October 2020
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
RA Direction		
Mod_08_20 Imbalance prices to reflect the real-time value of energy	D.4.4.12	Decision letter received – 29/10/20
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
Mod_09_20 Number of days for Interest Calculation	AP 15	5 October 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_06_20 Removing the requirement for a Monthly Load Forecast	T&SC Part B & AP 6	Extension approved 09/08/21
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 09/08/21
<ul style="list-style-type: none"> • Meeting 103 – 11th February 2021 – Conference Call 		