



## Single Electricity Market

### MODIFICATIONS COMMITTEE MEETING MINUTES

MEETING 103  
CONFERENCE CALL  
25 FEBRUARY 2021  
10.00AM – 3.00PM

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**Document History**

Version	Date	Author	Comment
1.0	18 February 2021	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0	25 February 2021	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
<a href="#">Balancing Market Rules – Trading and Settlement Code &amp; Agreed Procedures</a>
<a href="#">Mod_13_19 Payment for Energy Consumption in SEM for non-energy Services Dispatch</a>
<a href="#">Mod_15_19 Clarification to the description of the role of the Dispute Resolution Board under the TSC</a>
<a href="#">Mod_06_20 Removing the requirement for a Monthly Load Forecast</a>
<a href="#">Mod_13_20 Transparency of DRB decisions</a>
<a href="#">Mod_01_21 Removal of Difference Charges where operational constraints are binding</a>
<a href="#">Mod_02_21 Setting of flag for specific interconnector actions</a>
<a href="#">Mod_03_21 Splitting CEADSU variable</a>
<a href="#">Mod_04_21 Extension of System Service Flag to cover Cross Zonal Actions for System Security</a>
<a href="#">Mod_05_21 Collateral Exposure of Autoproducer and DSU</a>

**In Attendance**

Name	Company	Position
<b>Modifications Committee (voting members)</b>		
Sean McParland	Energia	Generator Alternate
Stacy Feldmann	SSE	Generator Member
Bryan Hennessy	Naturgy Limited	Supplier Member
Ian Mullins	Bord Gais Energy	Supplier Member

Paraic Higgins (Chair)	ESB	Generator Member
Andrew Burke	Enerco (IWEA)	Supplier Member
Alan Mullane	ElectroRoute	Assetless Member
Cormac Daly	Tynagh Energy	Generator Member
Robert McCarthy	Electricity Exchange	DSU Member
Philip Carson	Power NI	Supplier Member
<b>Modifications Committee (Non-Voting Members)</b>		
Kerri Webb	NIE Networks	MDP Alternate
Anne Trotter	EirGrid	SO Member
William Carr	ESB	Generator Alternate
Katia Compagnoni	SEMO	MO Member
David Gascon	Bord na Mona	Generator Alternate
Vivienne Price	SONI	SO Alternate
Stephen McClure	SONI	SO Member
James Long	ESB Networks	MDP Member
Karen Shiels	UR	RA Alternate
Grainne Black	CRU	RA Member
Gina Kelly	CRU	RA Alternate
Leigh Greer	UR	RA Member
Eoin Murphy	ElectroRoute	Assetless Alternate
<b>Secretariat</b>		
Sandra Linnane	SEMO	Secretariat
Esther Touhey	SEMO	Secretariat
<b>Observers</b>		
Conall Heussaff	CRU	Observer
Chris Goodman	SONI	Observer
Seamus Power	EirGrid	Observer
Sinead O'Hare	Power NI	Observer

Thomas O'Sullivan	Aughinish	Observer
Rochelle Broderick	Budget Energy	Observer
Edel Leddin	EirGrid	Observer
Paul Hutchinson	Epuki	Observer
Eamon Garrigan	Eirgrid	Observer
Niamh Delaney	EirGrid	Observer
Elaine Gallagher	EirGrid	Observer
Julie Ann Hannon	Bord Gais	Observer
Patrick O Hagan	SSE	Observer
Julie Ann Mitchell	Epuki	Observer
Paddy Fitzgerald	Bord Gais	Observer
Rory Cafferky	EirGrid	Observer

## 1. SEMO UPDATE

The Secretariat welcomed all to Modifications Committee Meeting 103. The minutes for Meeting 102 were read and approved. The Secretariat briefed the Committee on the Programme of Work noting that a Final Recommendation Report for Mod\_12\_20 had been sent to the Committee for review.

Confirmation was provided that the Balancing Code Update was published and is available to view on the website.

MOD_03_18 Autoproducer Credit Cover	<ul style="list-style-type: none"> <li>SEMO to work with Proposers to amend interim solution - <b>Closed</b></li> <li>RAs to provide a decision to either reject current Mod_03_18 or to recommend further work to be carried out - <b>Closed</b></li> </ul>
MOD_15_19 Clarification to the description of the role of the Dispute Resolution Board under the TSC	<ul style="list-style-type: none"> <li>Members to direct any queries or comments by Monday 9th November to RAs – <b>Closed</b></li> <li>RAs to submit a version 3 or consider a possibility of 2 Modifications to progress the Transparency provisions before the next meeting - <b>Open</b></li> </ul>
MOD_17_19 DSU State Aid Compliance Interim Approach	<ul style="list-style-type: none"> <li>SEMO to provide clarification in the Code on the 3 sub variables used in implementation of Mod_17_19 - <b>Closed</b></li> <li>SEMO take a long term action to undertake</li> </ul>

	mid tariff year (summer 2020) review of the cost of the change on Imperfections Charges post implementation to track any substantial increase in costs- <b>Long Term Action</b>
MOD_06_20 Removing the Requirement for a Monthly Load Forecast	<ul style="list-style-type: none"> <li>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 – <b>Open</b></li> </ul>
Mod_11_20 Definition of a Supplier Member	<ul style="list-style-type: none"> <li>RAs to bring forward a number of proposals for Members to discuss – <b>Closed</b></li> <li>Proposer to arrange an industry call and send an email to Participants to provide comments for discussion - <b>Closed</b></li> <li>Secretariat to issue Withdrawal Notification – <b>Closed</b></li> <li>RAs to issue a summary note and outcomes in preparation of upcoming industry call – <b>Closed</b></li> </ul>
Mod_12_20 Amendments to DRB Process	<ul style="list-style-type: none"> <li>Secretariat to draft a Final Recommendation Report - <b>Closed</b></li> <li>RAs to forward legal drafting for inclusion in Final Recommendation Report – <b>Closed</b></li> </ul>
Mod_13_20 Transparency of DRB process	<ul style="list-style-type: none"> <li>Proposer to submit a version 2 with updated legal drafting to include provisions for unreasonably withheld information and to align timelines to working days – <b>Closed</b></li> </ul>

## 2. DEFERRED MODIFICATION PROPOSALS

### MOD\_13\_19 PAYMENT FOR ENERGY CONSUMPTION IN SEM FOR NON-ENERGY SERVICES DISPATCH

The Proposer introduced this Modification Proposal noting that following a Working Group on the 10<sup>th</sup> December, a version 3 had been drafted and submitted to include all comments received to be brought for a vote at Meeting 103.

A brief background was given on the proposal and the Proposer went through the [presentation](#) discussing the solutions proposed. An Industry Call took place during the summer and this was followed by a Working Group to discuss solution 4 in more detail. The Proposer reminded the Committee that a survey was also issued to all Members to get any additional feedback or comments.

A number of slides contained the issues which ~~arose~~ were raised from when examining this solution and what the outcome of each was. ~~The Proposer advised that all relevant outcomes needed to be reviewed.~~ The Proposer noted that ~~some questions were~~ the issues raised ~~on~~ included how the energy would be accounted for, whether there was any issue with ~~how~~ multiple units registered under the same Trading Site ~~needing to be split out can benefit from this Mod~~ and re-negotiation of MICs.

A question about batteries availing of this functionality was raised before the Working Group and the ~~Proposer Working Group~~ concluded that batteries would not be covered yet. The Proposer explained that more operational experience of batteries would be needed and this would need to be looked at as a longer term action.

The Proposer continued noting that since the version 3 was circulated a request was made for minor clarifications and updates to the legal drafting which have been presented in the slide pack and could be added as an FRR amendment should the Mod be voted on.

A Supplier Member raised the point regarding batteries and asked about the plan for the allowance of them and also how the Mod would work for synchronous compensators. The Proposer advised that there would need to be operational experience with batteries before introducing a solution for them. It was confirmed that access to the capability of windfarms that could provide reactive power at 0MW was the priority at present. Regarding synchronous compensators, this solution would not cover the start costs of a generator type unit that can be switched to sync comp mode, but modern standalone sync comps may have an electric start. Another question was raised around timelines for implementing a solution that included batteries. The Proposer could not confirm a date in this instance. SEMO provided assurance that there are a number of active work streams which are looking at Batteries as well as hybrid sites, demand site units etc. The provision of MVAR will be included there in a more holistic solution which is being sought to implement these units. SEMO noted that a change of resources has occurred this work stream would get underway again soon and communications would be issued to this regard.

A Supplier Member noted that batteries formed a large part of the discussion that took place at the Working Group and requested that priority was to be given to clarify when this would be looked at. The Proposer agreed to take an action to confirm who is leading the work stream and when would this be progressed again.

A Generator Member advised that it would be prudent to concentrate on a more enduring solution and asked if this could include batteries. The Proposer confirmed that batteries were being looked at as a new technology and not yet ready to be incorporated into the proposal. It was advised that this Modification starts by putting into establishing a principle the correct way in which units should be operated of accounting for this energy in the SEM with a longer term solution addressing all outstanding issues over time.

TSO made a reference to the need of more operational experience of new technologies and welcomed proposals for an alternative enduring solution from industry also.

A Generator Alternate spoke of concerns that the interim solution is not perfect as there was a narrow focus on wind units. The preference would be that the focus now shifts to the enduring solution. A question was raised around the TSSU element and what issues that might present for units that would need to change Supplier type in registration. Questions were raised on the exclusion of different technologies, the TSSU element and MIC renegotiation, all things that could prove risky for Participants. Generator Alternate expressed a preference for a new solution that would apply to a wider range of technologies. The Proposer confirmed that re-negotiating MIC would need to happen regardless of which solution was chosen and putting in an interim solution would not affect this. The Proposer gave assurance that the interim solution would allow the TSO to access an important capability for the stable and secure operation of the system. It was advised that going through different possibilities would require further extensive work and it would be more useful to adopt a solution that allowed the quickest possible way to access that capability. The Proposer questioned what the concern was regarding re-registering as this was not raised in the Working Group or previous meetings. Generator Alternate responded that this was raised following a review by their Finance Department.

SEMO gave assurance that this change would only be required if a unit applies to provide the service and when they decide to stop providing the service they can decide whether to remain with a TSSU or change to an ASU. SEMO confirmed that any such change would need to be assessed by Participants in light of how likely they are to be providing such service.

A Supplier Member enquired about an impact assessment and if it was in progress. The Proposer advised that the CR had been drafted but had yet to be sent to the vendor. It was noted that a vote would be subject to an impact assessment.

## Decision

This Proposal was Recommended for Approval subject to an impact assessment.

Recommended for Approval by Majority Vote		
Paraic Higgins (Chair)	Generator Member	Approve
Sean McParland	Generator Alternate	Reject
Stacy Feldmann	Generator Member	Reject
Bryan Hennessy	Supplier Member	Reject
Ian Mullins	Supplier Member	Approve
Andrew Burke	Supplier Member	Approve
Alan Mullane	Assetless Member	Approve
Cormac Daly	Generator Member	Approve
Robert McCarthy	DSU Member	Approve
Philip Carson	Supplier Member	Approve

#### Actions:

- Proposer to provide clarity on when batteries will be reviewed and which work stream will work on this – **Open**
- Secretariat to draft a Final Recommendation Report – **Open**
- MO to progress request for Impact Assessment - **Open**

#### MOD\_15\_19 CLARIFICATION TO THE DESCRIPTION OF THE ROLE OF THE DISPUTE RESOLUTION BOARD UNDER THE TSC

The Proposer gave an update on this Modification noting that the SEM Committee is still very concerned with regards to the DRB decision that led to the proposal of Mod\_15\_19.

It was relayed that the RAs position was still that the Dispute Resolution Board cannot go outside the Trading & Settlement Code and that that was strongly supported by the external legal advice that was requested by the Panel. However they are taking on board the comments received from Participants on the need for proportionality of a response to the issue. Taking into consideration that there has not been another instance of the DRB overreaching since, that Mod\_12\_20 was voted through and Mod\_13\_20 is potentially being voted on today, these Modifications would likely reduce the risk of similar decisions from the DRB and on that basis Mod\_15\_19 will be withdrawn. The Proposer stated that they will nonetheless keep monitoring the issue and if a similar decision is taken again, then it is no longer a single anomaly, but an issue that is at real risk of recurring and the Modification, or a version of it, will be brought back. Should that happen the Panel will have the benefit of the additional Modifications in place and it will also be considered by the RAs as a proportional response.

#### Decision



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This Proposal is Withdrawn

**Actions:**

- Secretariat to draft a Withdrawal Notification – **Open**

**MOD\_06\_20 REMOVING THE REQUIREMENT FOR A MONTHLY LOAD FORECAST**

SEMO provided a background on this Modification noting there was an action on Members to review this data in light of Secondary Trading in Capacity.

System Operations provided analysis of the files in question noting that there was very little activity on the web page where this is published. It was confirmed that 10 files were published to the SEMO website and just 3 of those had been accessed once. Members were asked to confirm if this was the case. A Generator Member confirmed that there was very limited use for this file and SEMO added that the Capacity Team has no need for it either.

A point was made by a Generator Member that the relevance of the report cannot be determined by the number of times it is downloaded and the nature of secondary trading is such that there isn't a standard trade on a daily basis and there could be occasions where this file could become useful.

A Supplier Member noted that although they do not use the file, if it is used for Secondary Trading then it is a valued function. SEMO advised that there is no use of this file internally and that the procedures to process and publish this file are still taking resources away from other tasks.

***Decision***

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This Proposal was Recommended for Approval.

Recommended for Approval by Unanimous Vote		
Paraic Higgins (Chair)	Generator Member	Reject
Sean McParland	Generator Alternate	Approve
Stacy Feldmann	Generator Member	Approve
Bryan Hennessy	Supplier Member	Approve
Ian Mullins	Supplier Member	Approve
Andrew Burke	Supplier Member	Approve
Alan Mullane	Assetless Member	Approve
Cormac Daly	Generator Member	Approve
Robert McCarthy	DSU Member	Approve
Philip Carson	Supplier Member	Approve

**Actions:**

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

**MOD\_13\_20 TRANSPARENCY OF DRB DECISIONS**

The Proposer gave an overview of this Modification noting the changes that were made to the legal drafting regarding the timeline for DRB decisions and also removing the specified time period to consult with involved parties.

These changes follow the comments put forward by Participants at the previous meeting.

***Decision***

This Proposal was Recommended for Approval.

Recommended for Approval by Unanimous Vote		
Paraic Higgins (Chair)	Generator Member	Approve
Sean McParland	Generator Alternate	Approve
Stacy Feldmann	Generator Member	Approve
Bryan Hennessy	Supplier Member	Approve
Ian Mullins	Supplier Member	Approve
Andrew Burke	Supplier Member	Approve
Alan Mullane	Assetless Member	Approve
Cormac Daly	Generator Member	Approve
Robert McCarthy	DSU Member	Approve
Philip Carson	Supplier Member	Approve

**Actions:**

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

**3. NEW MODIFICATION PROPOSALS**

An agreement was made by the Secretariat, Chair and Committee to discuss Mod\_01\_21, Mod\_02\_21 and Mod\_04\_21 together as all three Modifications had similarities in their justification. Each Proposer delivered their presentation and questions / comments were discussed following this.

#### **MOD\_01\_21 REMOVAL OF DIFFERENCE CHARGES WHERE OPERATIONAL CONSTRAINTS ARE BINDING**

The Proposer delivered a [presentation](#) on this Modification noting under this proposed option, units bound by a binding constraint would be flagged with a System Service Flag. It was noted that there were issues with the number of units exposed to payments due to operational constraints. It was advised that this Modification was initially presented in the consultation paper SEM-19024 in 2019 and although it had received support from the vast majority of the industry, the SEMC decision to hold back any changes until experience was gained over time.

The Proposer went through the slides noting that the legal drafting only affected Appendix N.

The Proposer advised that figures for the impacts to the socialization fund were not included as they had been requested to SEMO. SEMO provided assurance to the Committee that the fund has been overfunded and the view was that, should this Mod be implemented, the charges would have been reduced by 40% in the 3 dates in January where the Imbalance Price was greater than the Strike Price; but was still an amount sufficient to cover, on a daily basis, the payments due out. However, during explorative testing from the System Operator, it appeared that System Service flag can't be turned on for a constraint that is off in pricing such as the MWR constraint which had been switched off with the implementation of Mod\_09-19. This will need to factor in heavily to any decision that is made on this Mod.

#### **Decision**

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This Proposal was deferred.

#### **MOD\_02\_21 SETTING OF FLAG FOR SPECIFIC INTERCONNECTOR ACTIONS**

The Proposer delivered a [presentation](#) on this Modification advising that it is related to Mod\_01\_21 and Mod\_04\_21 all of which are trying addressing the same issue. It was noted that this Modification is looking at RO Difference payments and it is an interim option with an intention of flagging out interconnector trades when Imbalance Price is greater than 500€. This will provide protection to units that are now unfairly exposed.

The Proposer advised that this Modification provides 2 positions on legal drafting with suggested text for either F.2.4.8 or Appendix N.

#### **Decision**

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This Proposal was deferred.

**MOD\_04\_21 EXTENSION OF SYSTEM SERVICE FLAG TO COVER CROSS ZONAL ACTIONS FOR SYSTEM SECURITY**

The Proposer delivered a [presentation](#) on this Modification noting that peaking units are exposed to RO Difference Payment due to cross zonal actions against the intention of the original Market Design which was supposed to affect non flexible units. It was noted that ISEM is not a self-dispatched market. If a plant is not sufficiently flexible it could be exposed to RO payments. However in the current implementation flexible plants are discriminated against by the management of the system's operational constraints.

The legal drafting was discussed which would amend the flag where cross zonal action has occurred and set the value to zero. The Proposer provided analysis for the 12<sup>th</sup> of January 2021 confirming that greater than €0.5 million was paid out. There were also 4 RO Difference payments since the start of November which held back energy.

The Proposer summarized that impacts for peaking units were contrary to design and this proposal was seen to meet code objectives.

**Decision**

This Proposal was deferred.

**DISCUSSION**

SEMO opened the discussion noting that the [presentation](#) from Bord na Mona on Mod\_01\_21 is the same proposal that was discussed at the NIV tagging Working Group following the submission of Mod\_32\_18. It was noted that at the time it was discussed in isolation and when tests were carried out on the implementation of Mod\_09\_19 it was found that it was not possible to switch on a system service flag. Therefore there would be a need to either revert the implementation of Mod\_09\_19 or to seek a system change which this Modifications hoped to avoid by a changed thought to be only an update to configuration parameters.

SEMO confirmed that the data on analytics on charges was briefly reviewed and, should the Mod be in place as submitted, in the event in January there was no negative impact on the socialization fund while the number of units affected went for about 40/50 to approximately 11/13.

A Supplier Member noted as a general principle it was unfair of any Market Participant Generator to be exposed to risks outside their control. Suppliers and customers would look for comfort of knowing what the implementation of this Modification would mean to difference payments and the integrity of the Socialization Fund. A desire was expressed to get more information. Another Supplier Member made an observation that this may put the System Operator in an uncomfortable position to make trades and this needs to be solved by the Market and not EirGrid. A need for a liquid continuous intraday market was noted which would have likely taken care of these issues

The Proposer of Mod\_02\_21 confirmed that the 3 Modifications were related and all three Proposers discussed them prior to this meeting. It was advised that Mod\_01\_21 was different from the other two Modifications by specifically removing the exposure and having an impact on the Socialization Fund which the other two Modifications don't have as they are trying to stop RO events taking place. The Proposer of Mod\_01\_21 agreed with the comments made on a more liquid market and although gave praise to a well presented Mod\_04\_21 noted that it did not address the fundamentals in the detailed design.

DSU Member presented a couple of comments in relation to the Modifications. A concern was raised about Modifications that are only looking to amend RO payments. Some units, such as Wind, would have issues with high prices regardless from RO contract therefore would favor a solution that would ensure the pricing was corrected.

In relation to Mod\_04\_21 it was advised that peakers are not the only units affected; DSU and Battery units face the same issues. Also there are units that are not yet in receipt of DS3 because the next available window is months away. A question was raised if the proposal had considered a tie to system services and an addition to Technical Offer Data for units with fast response such as start up within 30 minutes. The Proposer agreed that technology could be neutral and was willing to put this idea forward if TOD could be considered instead of System Services.

The Proposer for Mod\_01\_21 advised that the aim was to provide a way to protect generation units or any other units that can't be turned on due to operational constraints and won't have to have a system contract.

DSU noted that on Mod\_32\_18 a similar issue came up on performance measures thus confirming not everyone provides the same suite of system services.

An Assetless Member began a discussion on risk management and how the eventuality of these high prices events should be factored in instead of looking for a removal of these events and made a case that it may be less of a risk to change the RO settlement rather than changing flagging and tagging.

It was suggested that there was a need to understand SO to SO trades and whether they were energy actions or not. SO Observer provided clarity on this noting that the SO Trades can be either Energy or Non-Energy flag for all units including Interconnectors, are calculated in the RTD schedule where the unit is set to run. RDT is run 10 minutes before real time so at that point no other units could substitute the amount required and therefore considered Non-Energy but before then it would be considered as Energy action. RTD will determine those constraints and feed them into the Pricing stack. Technical information was provided and it was confirmed that interconnectors are treated like any other unit that are flagged out as part of constraints. It was advised that at the last MOUG analysis showed that interconnectors are flagged as non-energy if the All-Island Reserve constraint is binding.

A Generator Member advised that another event could have occurred as recently as the day before if it hadn't been for strong wind in the system and more focus was required in this area. A question was raised on timelines and which Modification would be fastest to implement. SEMO advised that information was not available yet but it appeared that Mod\_01\_21 would be the quickest to implement provided that the correct configuration in relation to the MWR constraint was agreed by the Panel. The changes that needed to be made would have to be addressed and an impact Assessment from the vendor would be needed. In the interest of progressing issues quickly, an initial high level assessment could be made to confirm if they were large or minor changes.

A Generator Member asked if constraint group could be created for the SO actions. SO Operations confirmed there are TCG constraints for Generators and that a new proposed CR is in development to get Wind units and Interconnectors added. It was advised that they would not be included until after release H which would not be for another year.

It was agreed that a conversation was needed on SO to SO trades and whether they are all Non-Energy all the time or not. An Observer queried if the socialization fund was in credit on 12<sup>th</sup> January and if it had to be debited on this event. SEMO provided assurance that that no date analysed had a negative impact on the Fund.

The RAs provided perspective on the 3 Modifications noting that in the previous Consultation Decision they directed no change but there were a limited number of days affected and a number of system defects impacting the data. It was confirmed that they are open to look again at all those issues with fresh data.

The RAs noted that feedback was only recently received on the interaction between Mod\_01\_21 and Mod\_09\_19 and if this Modification was removed it would increase the likelihood of RO events occurring. It was also reiterated that they would be open to discuss whether all cross zonal actions should be treated as Energy or Non-Energy.

An Assetless Alternate agreed that the Market required increased liquidity. The Market was short because sold too much Energy in the Ex-Ante Market. If risks associated with RO were removed then even more energy would be sold in Ex-Ante. It was advised that the TSO only had 2 counter parties they can deal with and if there was more liquidity TSO wouldn't have to take the only offer available.

A discussion ensued on whether flags were being created correctly in line with design and if they should happen differently. Questions were raised on whether a decision could be made on Mod\_02\_21 to reduce the options on the table to the other two Modifications. This is in light of the discussion on whether So/So Trades should be considered always Non-Action. A Generator Member agreed that in principle they should be Non-Actions but asked whether they could be Marginal.

There was agreement that all 3 of the Modifications would be discussed further in a Working Group and potentially focus would need to be given to an interim solution while more complex aspects are investigated. The SO and all Participants were invited to consider alternative solutions that could be implemented quickly with an enduring solution to follow.

Assetless Member also mentioned the potential risks to the principles of the Capacity Market and the integrity of the Socialization Fund and the fact the Generator's risks are passed onto the consumers who definitely don't have any mean to reduce such risk. Generator Member replied that the issue is not just to reduce any risk to Generator but to reduce the unpredictability of it.

Concerns were raised about the impact on previously implemented Mod\_09\_19 on MWR constraint which has been very successful in reducing events to date.

DSU noted that each Modification is asking a different question.

Mod\_02\_21 – Are prices and flags correct?

Mod\_01\_21 – Should all Operational Constraints be factored in regardless of Prices?

Mod\_04\_21 – Is the detailed design being reflected in the RO settlement and System Services flags?

Some Participants expressed favoring solutions addressing the Settlement of RO over changes in Pricing, while others favored solutions addressing the issue in Pricing rather than only RO settlement.

The Committee briefly discussed the Working Group and the Terms of Reference. System Operator took an action to review short term fixes and if something can be put in place prior to the next available system release. It was also requested that Mod\_01\_21 would be further analyzed to see if a flag could be created manually and put into the settlement system. A question was raised on whether the issue of So/So Flagging had arisen in any other of the upcoming consultations. RAs confirmed that they didn't think this was the case.

#### **Actions:**

- System Operator to look at any potential alternative short term fixes – **Open**
- Secretariat to convene a Working Group and draft a Terms of Reference – **Open**
- System Operator to provide analysis of further testing to implement Mod\_01\_21 with particular regards to the interaction with MWR constraint – **Open**
- SEMO to provide analysis of the impact of potential implementation of Mod\_01\_21 on the socialization Fund based on SO testing cases – **Open**
- SEMO to investigate high level Impact Assessment with vendor - **Open**

#### **MOD\_03\_21 SPLITTING CEADSU VARIABLE**

The Proposer gave a [presentation](#) on the Modification noting that this was a minor housekeeping issue initially raised at Meeting 102 in December by the DSU Member. Variable CEADSU has been created in Mod\_17\_19 however at implementation stage the vendor advised that for VAT purposes, sales and purchases from EU and no-EU countries had to be separated therefore the variable had to be split in 2 sub-

variables to account for trades in the Day Ahead, Intra Day and Imbalance periods. These 3 sub-variables are included in the Settlement Documents but the Code needs to be amended to reflect this..

The Proposer went through the slides showing the formulas that would be used with the 3 separate components of variable CEADSU highlighted and described individually. DSU confirmed they are happy with this housekeeping modification which aligns the Code with system implementation.

### Decision

This Proposal was Recommended for Approval.

Recommended for Approval by Unanimous Vote		
Paraic Higgins (Chair)	Generator Member	Approve
Sean McParland	Generator Alternate	Approve
Stacy Feldmann	Generator Member	Approve
Bryan Hennessy	Supplier Member	Approve
Ian Mullins	Supplier Member	Approve
Andrew Burke	Supplier Member	Approve
Alan Mullane	Assetless Member	Approve
Cormac Daly	Generator Member	Approve
Robert McCarthy	DSU Member	Approve
Philip Carson	Supplier Member	Approve

### Actions:

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

### MOD\_05\_21 COLLATERAL EXPOSURE OF AUTOPRODUCER AND DSU

The Proposer delivered a [presentation](#) on this Modification explaining the difficulty with how the Trading Site Supplier Unit was set up and the collateral exposure that would have resulted should an interim solution agreed pre-go live not be in place.

This Modification extends out the interim solution and clarifies the process.

It was explained that Mod\_03\_18 was the enduring solution but following a risk assessment it was rejected. Assurance was given that this Modification would replace Mod\_03\_18. It would have less effect on software and be more cost effective.

DSU Member noted that this was an issue that came up pre I-SEM and this Modification would extend out the interim solution as an enduring one. It was advised that this only relates to Undefined Exposure, while the remaining collateral calculations will not be affected. .

A Supplier Member asked why Mod\_03\_18 was rejected and how this Modification would be better. The Proposer explained that the Impact Assessment highlighted that Mod\_03\_18 would be complex and costly to implement and would put the software under more strain affecting Settlement performances. Mod\_05\_21 doesn't get into the Code and there are no changes to the software only to manual processes. Assurance was given that the changes would only be on the registration and Credit Cover areas to ensure there is compliance.

### Decision

This Proposal was Recommended for Approval.

Recommended for Approval by Unanimous Vote		
Paraic Higgins (Chair)	Generator Member	Approve
Sean McParland	Generator Alternate	Approve
Stacy Feldmann	Generator Member	Approve
Bryan Hennessy	Supplier Member	Approve
Ian Mullins	Supplier Member	Approve
Andrew Burke	Supplier Member	Approve
Alan Mullane	Assetless Member	Approve
Cormac Daly	Generator Member	Approve
Robert McCarthy	DSU Member	Approve
Philip Carson	Supplier Member	Approve

### Actions:

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

## 4. AOB/UPCOMING EVENTS

### Market Development

A presentation was given on the upcoming Release G update. It was noted that there were 8 change requests with four of these relating to Modifications. 18 defects were included and a lot of these issues were resolved.

Confirmation was given that Release H is scheduled towards the end of the year.

A Roadmap for Market Development was presented and confirmation was given that feedback on this was closed out at the end of February.

It was queried if the old timeline for releases would be returned to after Release G in June. Assurance was given that releases would be bi-annually and the timings would need to be re-assessed after the late deployment of Release G.



The RAs provided an update on EBGL and noted they had a draft consultation paper submitted to the oversight Committee and that they were finalizing reviews and internal signatures before publication

Secretariat advised that the invite for the upcoming Working Group on Mod\_01\_21, Mod\_02\_21 and Mod\_04\_21, would go directly to Members and asked if they could reach out to relevant constituents who should attend. A further point was raised on meeting attendee numbers and how Members and Alternates may not be both allowed to attend going forward.

Secretariat thanked all for attending and advised that Modifications Committee Meeting 104 will take place on Thursday, 22<sup>nd</sup> April 2021.

**APPENDIX 1 – PROGRAMME OF WORK AS DISCUSSED AT MEETING 103****Status as at 11 February 2021****Modification Proposals 'Recommended for Approval' without System impacts**

<b>Title</b>	<b>Sections Modified</b>	<b>Sent</b>
Mod_12_20 Amendments to DRB Process	B.19.6, B.19.10, B.19.14	FRR to Committee
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**

N/A	N/A	N/A
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**Modification Proposals 'Recommended for Rejection'**

N/A	N/A	N/A
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**RA Decision 'Further Work Required'**

N/A	N/A	N/A
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**RA Decision Approved Modifications with System Impacts**

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	11 December 2020
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_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_22_19 Correction of QUNDELOTOL calculations to convert TOLUG and TOLOG to MWh	F	Effective on System Implementation

**RA Decision Approved Modifications with no System Impacts**

N/A	N/A	N/A
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**RA Decision Rejected**

N/A	N/A	N/A
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**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
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**AP Notifications**

N/A	N/A	N/A
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**Withdrawal Notifications**

Mod_11_20 Definition of a Supplier Member	B.17.3	13 October 2020
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Mod_07_20 Balancing Modifications Committee Composition and constitution definitions	B.17.3 & AP12 3.7	10 July 2020
<b>Modification Proposal Extensions</b>		
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"> <li><b>Meeting 104 – 22 April 2021 – Conference Call</b></li> </ul>		