



Single Electricity Market

MODIFICATIONS COMMITTEE MEETING MINUTES

MEETING 121

MS Teams Call

15 February 2024

10.30AM – 12.00PM

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| Version | Date | Author | Comment |
|---------|--------------------------------|-------------------------------------|---|
| 1.0 | 15 th February 2024 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 4th March 2024 | Modifications Committee Secretariat | Committee and Observer review complete |

Distribution List

| Name | Organization |
|----------------------------------|---|
| 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_12_23 Extension to Timing for Execution of Deeds |
| Mod_13_23 SDP_01 Treatment of Non-Priority Dispatch Renewables v2 |

In Attendance

| Name | Company | Position |
|---|--------------------------------|--------------------------------|
| Modifications Committee (voting members) | | |
| Stacy Feldmann (Chair) | SSE | Generator Member |
| Robert McCarthy | Captured Carbon | DSU Member |
| Nick Heyward | Energy Storage IRE / Statkraft | Flexible Participant Alternate |
| Andrew Burke | Wind Energy Ireland | Renewable Generator Member |
| Eoghan Cudmore | Bord Gais Energy | Supplier Alternate |
| Andrew Kelly | ESB | Generator Alternate |
| Bryan Hennessy | Flogas Enterprise Limited | Supplier Member |
| David Caldwell | Power NI | Supplier Member |
| Sean McParland | Energia | Generator Member |
| Paul Hutchinson | EPUKI | Generator Member |
| Eoin Murphy | ElectroRoute | Assetless Member |
| Modifications Committee (non-voting members) | | |

| | | |
|--------------------|-------------------|--------------|
| Deirdre Hughes | EirGrid | SO Member |
| Martin McCarthy | SEMO | MO Alternate |
| Kevin Hagan | CRU | RA Member |
| Katia Compagnoni | SEMO | MO Member |
| Adelle Watson | NIE Networks | MDP Member |
| Mary Farrelly | Utility Regulator | RA Alternate |
| James Long | MRSO ESB Networks | MDP Member |
| Secretariat | | |
| Esther Touhey | SEMO | Secretariat |
| Sandra Linnane | SEMO | Secretariat |
| Observers | | |
| Grace Burke | EirGrid | Observer |
| Kevin Goslin | CRU | Observer |
| Claire Kelly | EirGrid | Observer |
| Ed Carty | EirGrid | Observer |

1. SEMO UPDATE

Secretariat welcomed all to Modifications Committee Meeting 121 and noted that the minutes from Modifications Committee Meeting 120 were read and approved.

It was advised that the Program of Work was up to date with three proposals on the baseline. A decision was recently received for Mod_09_23 'Correction to the calculation of SDPIMB'.

Market Development Update

MO Observer delivered an overview of Release M noting its focus on Greenlink among other changes. It was advised that Release N would focus on the first tranche of changes for Schedule and Dispatch (SDP) with release dates to be confirmed but with longer delivery timelines compared to standard releases given the complexity of the changes.

2. REVIEW OF ACTIONS

MO Member gave an update on the below actions:

- Mod_02_22 – It was advised that this action is still open because of internal delays but there was more certainty to getting them finalized shortly. Assurance was given that the revised text had been agreed with Proposers.

- Mod_08_23 – It was noted that there will be an upgrade to the SEMO website and there would be a tidy up of the Market Rules site to progress this action.
- Mod_10_23 – It was advised that this action has been paused due to the ongoing open actions resulting from the Judicial Review of SEM-21-027.
- Mod_12_23 – The Proposer is currently reviewing the SEMO internal process with a view to submit a version 2 at Modifications Committee Meeting 121 in April.

DSU Member queried Mod_02_23 and its status. MO Member advised that any change would depend on the outcome of the upcoming consultation announced by the RAs with assurance given that the Modification would still be open until the conclusion of the consultation process. The RA Member also confirmed that a note was published last December that there would be a further consultation, and that the Modification would stay open until the conclusion of this consultation process.

| | |
|---|---|
| Mod_02_22 Cost Recovery when Under Test | <ul style="list-style-type: none"> • Implementation of decision on Mod_02_22 by TSO – Open |
| Mod_08_23 Archiving Part A & C of the TSC | <ul style="list-style-type: none"> • SEMO to add explanatory wording to the updated sections in the SEMO website – Open |
| Mod_10_23 Market Compensation for Firm Curtailment Look Back Period | <ul style="list-style-type: none"> • SEMO to publish detailed process for comments – Paused following JR |
| Mod_12_23 Extension to Timing for Execution of Deeds | <ul style="list-style-type: none"> • Proposer to assess comments and potentially submit a version 2 of this proposal with updated legal drafting - Open |
| Mod_13_23 SDP_01 Treatment of Non-Priority Dispatch Renewables | <ul style="list-style-type: none"> • Proposer to engage with Members and submit a potential version 2 of this Modification Proposal for Modification Committee Meeting 121 – Closed |

3. DEFERRED MODIFICATION PROPOSALS

MOD_12_23 EXTENSION TO TIMING FOR EXECUTION OF DEEDS

MO Member provided an update on this Modification Proposal noting that the Proposer would likely submit an updated version on the Modification at the April Meeting. The Chair confirmed with Committee that they were happy to defer the Modification to Modifications Committee Meeting 121. SEMO confirmed that the intention of the Proposer is to submit an updated version rather than withdrawing it and that the Proposer is close to finalizing a v2 of this proposal.

Decision

This Proposal was deferred.

MOD_13_23 SDP_01 TREATMENT OF NON-PRIORITY DISPATCH RENEWABLES

The Proposer delivered a [presentation](#) on v2 of this Modification Proposal listing the principles behind this Modification and the more up to date changes. A question was raised by the Chair on the lack of approved fundings for the changes and how this delay was going to affect the current work. An Observer from EirGrid explained that currently the project is at the design stage for which funding is secured. The lack of funding concerns phase 3 (implementation) but they are working with the RAs to get that finalized.

Another question was raised with relation to TOLENG, in light of the fact that RA Member advised that any new value for TOLENG would need to be consulted on. It was advised that the consultation on the values will not affect the Proposal which focuses on the delivery of individual fields for the values for each unit. The process to derive the correct values is outside the scope of the Proposal.

Renewable Generator Member made the point that this Modification was not implementing a Market based Re-dispatch as recommended by the Clean Energy Package (CEP). The Proposer clarified that this was intended to be an Interim solution and that this could be considered in an enduring solution.

A number of Members also supported the point made in relation to this Modification not implementing a Market based Re-dispatch solution. A generator member noted for the record that the proposal referred to SEM-21-027 'Proposed Decision' rather than Decision Paper SEM-22-009 and also noted that this Modification is very much an Interim solution but that this is not explicitly stated within the body of the Modification proposal.

-It was also proposed that the fact that this was an interim solution would be better highlighted in a new V3 version of the Modification to reflect the above points and vote on the Modification on that basis and that the timelines for implementation of the enduring solution are made clear. MO Member proposed that text could be added in a prominent way in the Final Recommendation Report in order to clarify the interim nature of the Modification and that it was not implementing a Market based Re-dispatch. With regards to the timeline for an enduring solution, EirGrid Observer said that this would have to be seen in the context of other projects on the pipeline and that they would need to take it away and provide more details at a later stage. A generator member asked could the RAs outline if they were committed to looking at implementing Market based re-dispatch in an enduring solution and the timelines for that. RA member stated they couldn't give a comment or view on an enduring solution.

Further concerns were raised in relation to the impact of the outcome of the Judicial Review and if the Modification could be contradicting the Regulation. The Proposer explained that the CEP allows for non-Market Re- dispatch although giving preference to Market- base ones.

A question was raised about how many units could be impacted by this. The Proposer advised that, although the figures were not available at the moment, it impacted all new units or units that underwent a significant change since 2019. This is not expected to represent a very large volume at the moment but following the implementation of the Modification, units could apply to change their status if they so wish and there is no estimate of how many would chose to do so.

Decision

This Proposal was Recommended for Approval.

| Recommended for Approval by Majority Vote | | |
|---|-----------------------------------|---------|
| Stacy Feldmann (Chair) | Generator Member | Approve |
| Nick Heyward | Flexible Participant Alternate | Approve |
| Andrew Burke | Renewable Generator Member | Approve |
| Andrew Kelly | Generator Alternate | Abstain |
| Sean McParland | Generator Member | Abstain |

| | | |
|-----------------|--------------------|---------|
| Eoghan Cudmore | Supplier Alternate | Approve |
| Bryan Hennessy | Supplier Member | Approve |
| Paul Hutchinson | Generator Member | Approve |
| David Caldwell | Supplier Member | Abstain |
| Robert McCarthy | DSU Member | Approve |
| Eoin Murphy | Assetless Member | Approve |

Action:

- Secretariat to draft a Final Recommendation Report – **Open.**
- MO Member to liaise with Secretariat to include clarification that this Proposal is an interim solution in the Final Recommendation Report – **Open.**
- Proposer to provide more information on existing delivery programs and the estimated timelines for an enduring solution – **Open.**

4. AOB/UPCOMING MODIFICATIONS

SEMO noted that the Settlement team had discovered an inconsistency following a previous correction of a defect in the start up costs. Assurance was given that there is a workaround in place and clarification in the Code Legal Drafting were required leading probably to a change in the systems. This proposal will be submitted in April.

Secretariat thanked all for attending and noted that Modifications Committee Meeting 121 will be held on Tuesday, 23rd April 2024 with a closing date to submit proposals on 9th April 2024.

| APPENDIX 1 – PROGRAMME OF WORK AS DISCUSSED AT MEETING 121 | | |
|---|--|------------------------------------|
| Status as of 8 February 2024 | | |
| Modification Proposals ‘Recommended for Approval’ without System impacts | | |
| Title | Sections Modified | Sent |
| Mod_10_23 Market Compensation for Firm Curtailment Look Back Period | H | Sent for RA Decision 16/11/23 |
| Mod_07_22 Indexation to calculation of Capacity Payments for New Capacity | F.17 | Sent for RA Decision 22/11/22 |
| Modification Proposals ‘Recommended for Approval’ with System impacts | | |
| Mod_11_23 SDP_02 Battery Integration | B,D,F, Appendix I, Appendix O, Glossary | Sent for RA Decision 08/02/2024 |
| Mod_02_23 DSU Energy Payments | B, F, G, H AP01 Section 2.3 & Appendix 3 | Sent for RA Decision 16/03/23 |
| 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 | | |
| Title | Sections Modified | Effective Date |
| Mod_17_22 System Action Re-pricing | E.3.4.2 | Following system implementation |
| Mod_05_23 Market Compensation for Firm Curtailment | F, G, Glossary | Following system implementation |
| Mod_08_23 Archiving Part A&C of the TSC | Part A & Part C | Following website upgrade project |
| RA Decision Approved Modifications with no System Impacts | | |
| Title | Sections Modified | Effective Date |
| Mod_06_23 SEMO Housekeeping 2023 | F.2.7.2, F.10.1.4, Glossary, AP04 2.7.1, 2.7.2 | 28 th July 2023 |
| Mod_07_23 Collection of Monies M+4 Update | G.2 | 28 th July 2023 |
| Mod_09_23 Correction to the calculation of SDPIMB | G.14.2.4 | 21 st December 2023 |
| RA Decision Rejected | | |
| Mod_01_23 Remuneration of Commissioning Unit | D,F,G,K | 13 th November 2023 |
| 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 | | |
| N/A | N/A | N/A |
| Withdrawal Notifications | | |
| N/A | N/A | N/A |
| Modification Proposal Extensions | | |
| N/A | N/A | N/A |
| <ul style="list-style-type: none"> • Meeting 122 – 23rd April 2024 – MS Teams | | |