

Single Electricity Market

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| Modifications Committee Meeting Minutes  Meeting 93  dublin  22 august 2019  10.30am – 3.00pm |

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Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 30th August 2019 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 | 06th September 2019 | 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](https://www.sem-o.com/rules-and-modifications/balancing-market-modifications/market-rules) |
| [Mod\_03\_18 Autoproducer Credit Cover with DSU v2](https://www.sem-o.com/documents/market-modifications/MOD_03_18/Mod_03_18AutoproducerCreditCoverwithDSUv213June2019.docx) |
| [Mod\_38\_18 Limitation of Capacity Market Difference Payments to Metered Demand v4](https://www.sem-o.com/documents/market-modifications/Mod_38_18/Mod_38_18-LimitationofCapacityMarketDifferencePaymentstoMeteredDemandV4.docx) |
| [Mod\_03\_19 Amended application of the Market Back Up Price if an imbalance Price(s) fails to circulatev2](https://www.sem-o.com/documents/market-modifications/MOD_03_19/MOD_03_19-AmendedapplicationoftheMarketBackUpPriceifanImbalancePrice(s)failstocalculate-Version2.docx) |
| [Mod\_04\_19 Running indicative settlement on all days](https://www.sem-o.com/documents/market-modifications/MOD_04_19/MOD_04_19Runningindicativesettlementonalldays.docx) |
| [Mod\_06\_19 Determination of the marginal Energy Action Price where no energy is available in the NET Imbalance Volume v2](https://www.sem-o.com/documents/market-modifications/MOD_06_19/MOD_06_19DeterminationoftheMarginalEnergyPricewherenoenergyisavailableintheNetImbalanceVolumeDirectionv2.docx) |
| [Mod\_08\_19 Clarification to Intraday Quantity and Payment v2](https://www.sem-o.com/documents/market-modifications/MOD_08_19/Mod_08_19-ClarificationtoIntradayQuantityandPaymentV2.docx) |
| [Mod\_10\_19 Dispatchable Priority Dispatch](https://www.sem-o.com/documents/market-modifications/MOD_10_19/Mod_10_19-DispatchablePriorityDispatch.docx) |
| [Mod\_11\_19 Continuing Contiguous Operating Period Over Billing Period Boundary and CNLR Clarification](https://www.sem-o.com/documents/market-modifications/MOD_11_19/Mod_11_19-ContinuingContiguousOperatingPeriodOverBillingPeriodBoundaryandCNLRClarification.docx) |
| [Mod\_12\_19 System Service Flag for Demand Site Units](https://www.sem-o.com/documents/market-modifications/Mod_12_19/Mod_12_19-SystemServiceFlagforDemandSideUnits.docx) |
| [Mod\_13\_19 Payment for Energy Consumption in SEM for non-energy Services Dispatch](https://www.sem-o.com/documents/market-modifications/Mod_13_19/Mod_13_19PaymentforEnergyConsumptioninSEMfornon-energyServicesDispatch.docx) |
| [Mod\_14\_19 Interconnector representation on the Modifications Committee](https://www.sem-o.com/documents/market-modifications/Mod_14_19/Mod_14_19InterconnectorrepresentationontheModificationsCommittee.docx) |

In Attendance

|  |  |  |
| --- | --- | --- |
| Name | Company | Position |
| **Modifications Committee (voting members)** | | |
| Jill Murray (Chair) | Bord Gais | Supplier Alternate |
| Alan Mullane | ElectroRoute | Assetless Member |
| William Carr | ESB GT | Generator Alternate |
| Joe Devlin | Power NI | Generator Alternate |
| David Gascon | Bord Na Mona | Generator Alternate |
| Kevin Hannafin | Energia | Generator Member |
| Mark Phelan | Electric Ireland | Supplier Alternate |
| Rochelle Broderick | Budget Energy | Supplier Alternate |
| Robert McCarthy | Electricity Exchange | DSU Alternate |
| Eamonn Boland | Brookfield Renewable | Supplier Alternate |
| **Modifications Committee (Non-Voting Members)** | | |
| Adelle Watson | NIE Networks | MDP Member |
| James Long | ESB | MDP Member |
| Anne Trotter | EirGrid | SO Alternate |
| Christopher Goodman | SEMO | MO Alternate |
| Siobhain O’Neill | ElectroRoute | Assetless Alternate |
| Katia Compagnoni | SEMO | MO Member |
| Gina Kelly | CRU | RA Alternate |
| Barry Hussey | CRU | RA Member |
| **Secretariat** | | |
| Sandra Linnane | SEMO | Secretariat |
| Esther Touhey | SEMO | Secretariat |
| **Observers** | | |
| John Casley | Tynagh Energy |  |
| William Steele | Power NI |  |
| Mairead Cousins | Enel |  |
| Ben Campbell | Naturgy Ireland |  |
| Stacy Feldmann | SSE |  |
| Paul McGuckin | Mutual Energy |  |
| Adam Fitzpatrick | CRU |  |
| Jag Basi | ESB |  |
| Niamh Delaney | EirGrid |  |

# Semo Update

The Secretariat welcomed all attendees to Modifications Meeting 93. Jill Murray was thanked for agreeing to Chair the meeting.

The Secretariat summarised the Election process and congratulated the successful candidates. William Steele was thanked for his time on the committee and his valuable contribution. The election for new Chair and Vice Chair will commence in due course.

The minutes for Meeting 92 were read and approved. It was noted that the outstanding minutes and Final Recommendation Reports will be published following the meeting.

SEMO provided an update on outstanding actions from Mod\_24\_18 reminding all that it had been raised before I-SEM go live. SEMO went through the list of reasons why the system changes to end the interim provisions this proposal had put in place would be extremely impactful and therefore costly. They advised that, following a meeting with system architects, it was confirmed that these would be too complex to recommend progressing them.

A Generator Alternate mentioned that there had been two instances already this year where the interim proposal had manifested and that, regardless of the magnitude of the events, it gives a signal contrary to the normal principles of the Market because flexibility is being penalised unintentionally in these instances. SEMO advised that they could still go ahead for a full impact assessment if required but it was agreed with the RAs that the information received from IT should be circulated for Participants to review and that consideration should be given to alternative ways to address the undesirable consequences rather than proceed with the complex implementation discussed. SEMO and the Generator Alternate agreed to explore such alternatives, including whether a change to Uninstructed Imbalance determination, at times when this issue causes them to be elevated, could address Generator’s concerns.

Mark Needham provided an update on Market Development confirming that a Road Map will be published in June with feedback closing on the 6th of September 2019. The plan is due to be updated every 6 months and will take the feedback into account. Release D is currently being worked on and the testing is going well. Release E is planned for Q1 2020 and will include recently approved Mod\_05\_19.

**Actions:**

* SEMO to circulate the notes on the implementation to the committee - **Open**
* SEMO and Generator Alternate to look for potential alternatives outside of the ending of interim provisions implemented under Mod\_24\_18 – **Open**
* Secretariat to proceed with requests of expression of interest for the position of Chair and Vice Chair - **Open**

# Review of Actions

|  |  |
| --- | --- |
| MOD\_03\_18 Autoproducer Credit  Cover | * SEMO to provide vendor impact assessment for existing proposal – **Open** * Proposer to draft version 3 to provide for the interim provisions to endure for New and Adjusted Participants after the Standard Participant treatment is implemented and until an enduring solution for New and Adjusted Participants can be implemented - **Open** |
| 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 – SEMO provided vendor updates on the difficulties of implementing this and invited PTs to provide numbers on the frequency of this occurring. SEMO will endeavor to provide further details with regards to the vendor assessment at meeting 93 – **Closed** * SEMO to get more information on system change with multiple VTOD sets for a single Settlement Days for August meeting – **Closed** * Participants to provide figures on the frequency of the issue and potentially the MW volume impacted - **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 – **Frozen until review in Dec 2019** * Approach that is currently in operation to be re-assessed in approximately 12 months to determine whether there has been a material increase in intraday traded volumes and if such an increase justifies their inclusion in the PMBU calculation at that point – **Frozen until review in Dec 2019** |
| MOD\_38\_18 Limitation of Capacity Market Difference Payments to Metered Demand | * Proposer to investigate the application of a tolerance factor to MGLF – **Closed** * SEMO to provide an alternative version to include a tolerance factor that would take account of forecasting errors - **Closed** |
| MOD\_03\_19 Amended Application of the Market Back Up Price if an Imbalance Price (s) fails to circulate | * SEMO to further escalate the need for an impact assessment - **Ongoing** |
| MOD\_04\_19 Running indicative settlement on all days | * Secretariat to produce a Terms of Reference to begin process of Working Group 1 - **Closed** * Secretariat to organise and convene a date for Working Group 1 – **Open** * SEMO to provide an analysis of Credit default examples after weekends or bank holidays - **Open** |
| MOD\_06\_19 Determination of the Marginal Energy Action Price Where No Energy is available in the Net Imbalance Volume | * Proposer to provide additional data, ie more than one week and show how DBC costs would be impacted **- Open** |
| MOD\_07\_19 Correction to No Load Cost – “and” vs “or” doc | * SEMO to advise if internal MOUG teams requested a simplified template along with update for FX - **Closed** |

# Deferred Modification Proposals

## mod\_03\_18 autoproducer credit cover with dsu v2

The proposer was unable to attend Meeting 93. An update was provided by SEMO. There is an Impact Assessment pending on this while the proposer is working on a new version of this modification to correct minor typos and include the continuation of the interim solution for the new or adjusted Participant only.

RA Member noted that it may be necessary to request a further extension to ensure that due process is followed if deferring further.

Decision

This Proposal was deferred.

**Actions:**

* Secretariat explore whether a further request for extension is required and request formally if necessary - **Open**

## mod\_38\_18 Limitation of capacity market difference payments to metered demand v3

SEMO delivered a [presentation](https://www.sem-o.com/documents/market-modifications/Mod_38_18/Mod_38_18Slides.pptx) on version 4 of this proposal covering changes to the previous content including a tolerance factor to allow for errors in the forecast of the demand while confirming the justification for this modification has not changed. This new version is a proposed parameterised approach with a parameterised value which would allow the relax the limitation to allow for Difference Payments to be based on volumes exceeding Metered Demand by a prescribed amount. This reduces the risk on the Socialisation Fund associated with the hedge applying beyond the Meter Demand.

A Supplier Alternate noted that the forecast error could be very large and raised concerns around viability of a parameter that would accommodate such forecast errors. It appeared that there is a lot of complexity around forecasting methodology and smaller suppliers would not have the facilities to reduce the errors. A discussion ensued around the risks being considered and how these may be handled through market manipulation provisions by the MMU. SEMO Member noted that those provisions would not address the risk in real time but could rather be applied after the fact. SEMO Member acknowledged the Supplier Members points in relation to forecasting error and the diminished benefit of applying a limitation which is multiples of Metered Demand. SEMO Member noted that they were not familiar with supplier Demand Forecasting processes or the potential level of errors involved but accepted the details provided on the subject that would render the parameter potentially unfeasible.

The RAs confirmed, were the Mod to be approved, they would consult on the parameter and it may be the case that the same arguments would be put forward which would dictate a factor too high to be a meaningful deterrent to the problem it is trying to solve. However both SEMO member and the Chair made the point that a lot of analysis and good work has been done on this, which should not be lost and should be used to re-submit the Modification Proposal in case the behaviour is actually observed in trading in the future.

Decision

This Proposal was Recommended for Rejection.

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| **Recommended for Rejection** |

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| **Recommended for Rejection by Unanimous Vote** | | |
| Jill Murray (Chair) | Supplier Alternate | Reject |
| Alan Mullane | Assetless Member | Reject |
| William Carr | Generator Alternate | Reject |
| Joe Devlin | Generator Alternate | Reject |
| David Gascon | Generator Alternate | Reject |
| Kevin Hannafin | Generator Member | Reject |
| Mark Phelan | Supplier Alternate | Reject |
| Rochelle Broderick | Supplier Alternate | Reject |
| Robert McCarthy | DSU Alternate | Reject |
| Eamonn Boland | Supplier Alternate | Reject |

**Actions:**

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

## mod\_03\_19 amended application of the market back up price if an imbalance price(s) fails to circulate v2

SEMO confirmed the impact assessment on this modification is still pending. ABB has reviewed this and there have been some questions and assumptions. The first is that an additional flag is needed to indicate a Back Up Price has been used at five minute granularity. Secondly, the report that includes the average will be produced at the end of the 30 minutes rather than the 5 minutes. SEMO asked Participant’s views on this last assumption.

The Chairperson asked if timelines could be specified and SEMO confirmed that, once they had reported Participant’s comments to the vendor promptly, an assessment could be available by the next MOUG on 11th of September. SEMO confirmed they will draft a note to the committee with an action on the participants to provide feedback on this within 5 working days.

Decision

This proposal was deferred.

**Actions:**

* SEMO to draft a note to the committee seeking views in relation to the Impact Assessment on Mod\_03\_19 ‘*Amended application of the Market Back Up Price if an Imbalance Price(s) fail to calculate’* v2. – **Closed**

## mod\_04\_19 running indicative settlement on all days V4

A Working Group has been provisionally scheduled for Thursday, 19th September 2019. The Terms of Reference have been circulated to the committee with comments or tracked changes due by Monday, 26th August with an invitation to follow seeking expressions of interest.

Decision

This Proposal was deferred pending the outcome of the Working Group

## mod\_06\_19 determination of the marginal energy action price where no energy is available in the net imbalance volume v2

Secretariat provided an update on this modification advising there was an existing agreement to defer until a wider RAs consultation on the Imbalance Price concluded. The RAs gave an update on the plan and confirmed there was going to be an initial discussion at the SEM committee this week on this consultation with a view of publishing the decision in advance of the next Modification meeting. It was noted that, if the consultation concludes before the next meeting, the proposer will have to decide how they wish to proceed.

Decision

This proposal was deferred pending the conclusion of the RA’s consultation on Balancing Market and Capacity Market options (SEM-19-024)

## mod\_10\_19 Dispatchable priority dispatch

SEMO Member delivered an update on this proposal which was initially raised on 13th June 2019. They referred to an explanatory note that was circulated as an action from Meeting 92. SEMO Member acknowledged that there were concerns raised at the last meeting in relation to this proposal.

Assetless Member indicated their view that the proposal should be deferred until the RA consultation on the Balancing Market and Capacity Market options concluded as they felt that changes considered therein interacted with this proposal. SEMO Member stated their view that, while the consultation references the mechanism with which this proposal is concerned, proposal is not dependent on or affected by the outcome of the consultation. They noted that the intent of the proposal is to implement a previous SEM Committee (SEMC) decision and that the consultation would not change that decision.

Assetless Member stated that they believe that the proposal contravenes EU law as it pertains to Priority Dispatch which is treated differently in the EU document Electricity Balancing Guidelines and as such the SEMC past decision might be obsolete and should need a full legal review to ensure compliance with more up to date higher legislation. Assetless Member also stated that this Modification goes against the principle of reflecting the cost of balancing the system as the Priority Dispatch bids in question correctly reflect this cost and should not be removed. RA Member indicated that in their view the proposal does not contravene EU Law (which is being separately legally examined in its fullness) and that the Priority Dispatch bids do not reflect the cost of balancing the system since the related balancing actions are not taken, by the TSO, based on those bids due to the absolute interpretation of Priority Dispatch. SEMO Member indicated that they felt that any legal considerations were likely to have been considered at the time of the SEMC decision on the matter.

Assetless Member and SEMO Member indicated contrary views on whether or not decremental actions on Priority Dispatch could be considered the marginal action in all cases. The Assetless Member indicated that they felt that they should be considered the marginal action due to being the action the TSO took to balance the system at the margins. The SEMO Member indicated that they felt that they should not be considered marginal action, since they cannot be freely reduced further to meet a decrease in demand due to the absolute interpretation of Priority Dispatch and due to the initial dispatch of the units similarly being as a result of Priority Dispatch status.

Assetless Alternate indicated concerns that the proposal would have an adverse impact for Dispatchable Priority Dispatch Units in Settlement due to large negative prices from simple offers not applying to Settlement of decremental actions where they are not used to set the price. SEMO Member indicated that they weren’t aware of such an adverse impact since the intention was to still use the submitted offer data in Settlement so that the units should receive the better of the Imbalance Price or the submitted offer. RA Member confirmed that this was their expectation also. Assetless Alternate indicated that they had queried an example of an apparent instance of such an adverse impact (where a Dispatchable Priority Dispatch Unit had not settled on their more beneficial simple offer when the Imbalance Price was less beneficial) with SEMO and SEMO had confirmed that the Settlement outcome had been correct in line with the rules. After a brief recess where SEMO investigated the query referenced by the Assetless Member SEMO clarified that this query referenced an instance where complex bid offer data applied rather than simple bid offer data due to the unit being flagged in the period in question and that this was correctly in line with the design intent. They further clarified that where simple offer data applies and this is more beneficial than the Imbalance Price, this is what it would be used in settlement via Discount Charges so that they did not feel that the example cited was a logical justification for opposing the proposal as a result.

There was a discussion centred on the detail of the SEMC decision under consideration with some committee members indicating that they felt that the proposal didn’t fully reflect the detail of the decision in that it replaces the relevant impact with a zero price rather than removing it from the pricing calculation altogether. SEMO Member indicated that they felt that the proposal did implement the decision since they felt that decision centred around the submitted prices not setting the price. They noted that the alternative of removing the volume from the price rather than supplanting zeros was considered but was not brought forward because they felt that the zeros provided a better solution due to retaining the energy volumes as a signal to reduce generation in the Imbalance Price at times when Priority Dispatch is being decremented. They also acknowledged awareness that the practical consideration that the alternative would be significantly more impactful and difficult to implement was a factor.

The Chair indicated their view that, while they felt that the proposal didn’t fully implement the letter of the SEMC decision, and that a solution that removed the action from the pricing calculation (rather than applying zeros) was a more pure implementation of the decision; they did feel that the proposal brought the design closer to the decision. They stated their view that the impact on imperfection costs should not be disregarded and that they felt that the committee should not ignore it and they acknowledged that the alternative would be a more impactful solution that would likely take longer. Chair also commented that in order to advance this proposal, if members thought it was not right to proceed to a vote, they should propose valid alternative. The RA Member also stated their belief that the complete removal of Priority Dispatch would probably take significantly longer to implement, but they were of the view that the current proposal did implement the decision as intended.

SEMO noted that while there wasn’t a full impact assessment available they had an informal indication that it should be achievable without being a significant change to the systems. Some members discussed concern with voting without an official impact assessment while others noted that this had happened previously where deemed appropriate in order to expedite changes efficiently where the impact was anticipated as being low and whereby the RAs took account of the Impact assessment in their decision instead. SEMO Member noted that they had requested the committee’s direction to request an official impact assessment at the previous meeting and this was not available because the committee had declined such request.

Decision

This Proposal was Recommended for Rejection.

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| **Recommended for Rejection** |

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| **Recommended for Rejection by Majority Vote** | | |
| Jill Murray (Chair) | Supplier Alternate | Approve |
| Alan Mullane | Assetless Member | Reject |
| William Carr | Generator Alternate | Approve |
| Joe Devlin | Generator Alternate | Reject |
| David Gascon | Generator Alternate | Reject |
| Kevin Hannafin | Generator Member | Reject |
| Mark Phelan | Supplier Alternate | Reject |
| Rochelle Broderick | Supplier Alternate | Approve |
| Robert McCarthy | DSU Alternate | Approve |
| Eamonn Boland | Supplier Alternate | Reject |

**Actions:**

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

# New Modification Proposals

## mod\_12\_19 System service flag for demand site units

The proposer delivered a [presentation](https://www.sem-o.com/documents/market-modifications/Mod_12_19/Mod_12_19Slides.pptx) on this proposal which would allow for the calculation of System Service Flags (FSS) for Demand Side Units by the System Operators under the Code. Implementation would include the obligation to the TSO to continue to calculate FSS and provide for the application of Default rules within the Code as well as ensuring that the process to modify how FSS are determined, including the addition of any further constraints, is under the Code Modifications Process. A DSU Alternate confirmed it was a Modification Proposal resulting from a recommendation of Working Groups for Mod\_32\_18.

The Chairperson referred to the section in the legal drafting which disapplies provisions for Interconnectorss and asked that SEMO reword this to reflect the same format as the equivalent text for Demand Side Units. SEMO Member confirmed that they were happy for this to be captured to aid clarity.

Decision

This Proposal was Recommended for Approval subject to a minor legal drafting change as described above

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

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| --- | --- | --- |
| **Recommended for Approval by Unanimous Vote** | | |
| Jill Murray (Chair) | Supplier Alternate | Approve |
| Alan Mullane | Assetless Member | Approve |
| William Carr | Generator Alternate | Approve |
| Joe Devlin | Generator Alternate | Approve |
| David Gascon | Generator Alternate | Approve |
| Kevin Hannafin | Generator Member | Approve |
| Mark Phelan | Supplier Alternate | Approve |
| Rochelle Broderick | Supplier Alternate | Approve |
| Robert McCarthy | DSU Alternate | Approve |
| Eamonn Boland | Supplier Alternate | Approve |

**Actions:**

* Secretariat to draft Final Recommendation Report including update legal drafting in relation to Interconnectors to reflect the same format as that which relates to Demand Side Units – **Open**

## mod\_13\_19 Payment for energy consumption in sem for non-energy services dispatch

The proposer delivered a presentation on this modification highlighting that there was no legal drafting as the Modification Proposal is provisional. The proposal arises from the fact that not all operation modes of units are modelled in the market and units may incur energy costs when running in certain modes. For example units such as synchronous compensators or wind farms at zero MW may provide needed voltage support to the grid, but in order to operate in this way will consume energy. In the future there may be other technologies that need to be dispatched for non-energy actions and that will consume energy which also need to be accounted for. Currently the TSO needs to put out-of-market contracts in place to account for these pass-through energy costs, which is not transparent. If units providing non-energy services such as voltage support were not remunerated in this way, the TSO would have to dispatch other units, increasing imperfections costs.

It was noted that the idea of DS3 System Services was to get away from the bilateral contracts structure of the past and to be more transparent. The proposer noted that the proposal had been discussed with SEMO and that there were various implementation options, such as profiling a “synch comp” instruction or equivalent for other non-energy dispatch actions, in such a way as to account for the energy consumed. The proposer welcomed ideas on how best to implement the proposal. It was agreed by the RAs that the proposal is merited and units that consume energy for non-energy dispatch actions should be accounted for in the market. Other members were also supportive of the principle of accounting for energy associated with non-energy dispatch actions in the market. It was noted that there may be other units that need to be considered, such as wind operating at zero MW or new emerging technologies, and more analysis may be needed. A brief discussion took place around the potential system impacts of implementing the proposal and that a solution that limits the impact to settlement system only might be preferable in terms of costs and complexity.

A proposal for a working group was raised but the RAs suggested deferral of this Modification Proposal to allow the proposer to develop its design in more detail, together with SEMO, with a view to returning with detailed legal drafting or at least with a straw man for discussion.

Decision

This Proposal was deferred subject to submission of more detailed provisional solutions to implement this modification for consideration.

**Actions:**

* SEMO and the proposer to investigate feasible ways to implement a solution in the market. – **Open**
* Members to consider the issue and provide suggestions to the Modifications mailbox – **Open**

## mod\_14\_19 interconnector representation on the modifications committee

The proposer delivered a [presentation](https://www.sem-o.com/documents/market-modifications/Mod_14_19/Mod_14_19slides.pdf) on this proposal describing the make-up of the Modifications Committee and changes between SEM and ISEM with Interconnectors owners being neither generators nor suppliers. They are more actively interested in the Trading and Settlement Code compared to the old SEM market, and given that Interconnectors are now balance responsible Participants in the market, consideration should be made for them to have a seat on the Modifications Committee, without impacting the quorum. Questions were raised on how to arrange for Interconnector owner representation given that only 2 parties exists in such category and should they instead be nominated alternating the Member and Alternate and represented as non-voting members such as the TSOs and the MDPs.

The proposer replied that the intention was to gain a voting seat because recent modifications have impacted them directly and it seemed clear that they should have a say.

The committee discussed the current set up of the Panel and how parties are represented. This is a wider issue than the one raised in the mod, and the proposal provides a good opportunity for a review of both voting rules and Panel composition. It was agreed that a Working Group should be convened to consider the constitution of the Modifications Committee and how it is elected more generally. The RAs also asked to specifically consider the voting mechanism currently assigning one vote per Participant, and the ‘constituency’ grouping. The RAs asked this to be discussed at the Working Group as an issue that had been already discussed at the Oversight Committee.

Decision

The proposal was deferred.

**Actions:**

* Secretariat to circulate a Terms of Reference and convene a Working Group - **Open**

# AOB/Upcoming events

SEMO listed the modifications that were in the pipeline with a Modification Proposal related to changes to Priority Dispatch being the most impactful. This will be a significant change to the code effective from Jan 2020 and driven by Article 12 of the associated regulation and will affect System Operations and Market Operations. There will also be a Modification Proposal to implement the interim approach determined via the RAs consultation on the DSU State Aid Decision and another proposal related to Supplier of Last Resort and its interaction with Unsecured Bad Debt provisions.

The secretariat thanked all for attending and confirmed that the next Modifications Committee Meeting will be held on 24th of October 2019 in Belfast.

# Appendix 1 – Programme of Work as Discussed at Meeting 93

|  |  |  |
| --- | --- | --- |
| **Status as at 22 August 2019** | | |
| **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** | | |
| Mod\_11\_19 Correction to the determination of COP and clarification of CNLR | F.11.2.5, F.11.3.1 | Sent for RA Decision 30/07/19 |
| Mod\_08\_19 Clarification to Intraday Difference Quantity and Payment | F.20.2.3 | Sent for RA Decision 30/07/19 |
| **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\_05\_19 Amendment to Uninstructed Imbalance Charge (CUNIMB) to correct for Negative Price Scenarios | F.9.4.1  Part B Glossary List of Variables and Parameters | 5 July 2019 |
| Mod\_07\_19 Correction to No Load Cost “and” vs “or” | F.11.2.3 | 3 May 2019 |
| Mod\_09\_19 Removal of locational constraints from Imbalance Pricing calculation | Appendix N.1 | 2 May 2019 |
| **RA Decision Approved Modifications with no System Impacts** | | |
| Mod\_33\_18 Update to Unit Under Test Process | Part B Section D.7.3  Part B Appendices F and J  Part B Glossary Definitions related to Under Test status  Part B Agreed Procedure 4 Sections 2.4 and 3 | 2 July 2019 |
| Mod\_01\_19 Negative Interest in the SEM | Section 6.16-6.19 & 6.35  AP-17 Banking and Participant Payments  Section G.1.4.3 to G.1.4.5 & G.1.5.1  AP-17 Banking and Participant Payments | 2 May 2019 |
| **RA Decision Rejected** | | |
| Mod\_02\_19 Removal of Difference Charges for generators during non RO event periods | F.18.5.5 | 10 May 2019 |
| **AP Notifications** | | |
| N/A | N/A | N/A |
| **Withdrawal Notifications** | | |
| Mod\_32\_18 Removal of exposure for in merit generator units against BOA | Appendix N | 05 July 2019 |
| **Modification Proposal Extensions** | | |
| Mod\_03\_18 Autoproducer Credit Cover | G4 to G15 | Extension approved 04/07/19 |
| * **Meeting 94 – 24 October 2019 – Belfast** | | |