

Single Electricity Market

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| Modifications Committee Meeting Minutes  Meeting 89  Belfast – SONI Conference Centre  20 February 2019  10.30 – 3.00pm |

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Document History

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| --- | --- | --- | --- |
| **Version** | **Date** | **Author** | **Comment** |
| 1.0 | 01 March 2019 | Modifications Committee Secretariat | Issued to Modifications Committee for review and approval |
| 2.0 |  | Modifications Committee Secretariat | Committee and Observer review complete |

Distribution List

|  |  |
| --- | --- |
| **Name** | **Organisation** |
| Modifications Committee Members | SEM Modifications Committee |
| Modification Committee Observers | Attendees other than Modifications Panel in attendance at Meeting |
| Interested Parties | Modifications & Market Rules registered contacts |

Reference Documents

|  |
| --- |
| **Document Name** |
| [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](https://www.sem-o.com/documents/market-modifications/Mod_03_18%20Autoproducer%20Credit%20Cover.docx) |
| [Mod\_32\_18 Removal of Exposure for "in merit" generator units against BOA](https://www.sem-o.com/documents/market-modifications/MOD_32_18/Mod_32_18RemovalofexposureforinmeritgeneratorunitsagainstBOA.docx) |
| [Mod\_33\_18 Update to Unit Under Test Process](https://www.sem-o.com/documents/market-modifications/Mod_33_18/Mod_33_18UpdatetoUnitUnderTestProcess.docx) |
| [Mod\_38\_18 Limitation of Capacity Market Difference Payments to Metered Demand](https://www.sem-o.com/documents/market-modifications/Mod_38_18/Mod_38_18-LimitationofCapacityMarketDifferencePaymentstoMeteredDemand.docx) |
| [Mod\_01\_19 Negative Interest Rates in the SEM](https://www.sem-o.com/documents/market-modifications/MOD_01_19/MOD_01_19NegativeInterestRatesinSEM.docx) |
| [Mod\_02\_19 Removal of difference charges for generators during RO event periods](https://www.sem-o.com/documents/market-modifications/MOD_02_19/MOD_02_19RemovalofdifferencechargesforgeneratorsduringnonROeventperiods.docx) |
| [Mod\_03\_19 Amended application of the Market Back up Price if an Imbalance Price(s) fails to circulate](https://www.sem-o.com/documents/market-modifications/MOD_03_19/MOD_03_19AmendedapplicationoftheMarketBackUpPriceifanImbalancePrice(s)failstocalculate.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\_05\_19 Amendment to Uninstructed Imbalance Charge (CUNIMB) to correct for negative price scenarios](https://www.sem-o.com/documents/market-modifications/MOD_05_19/Mod_05_19AmendmenttoUninstructedImbalanceCharge(CUNIMB)Calculation.docx) |
| [Mod\_06\_19 Determination of the marginal Energy Action Price where no energy is available in the NET Imbalance Volume](https://www.sem-o.com/documents/market-modifications/MOD_06_19/MOD_06_19DeterminationoftheMarginalEnergyPricewherenoenergyisavailableintheNetImbalanceVolumeDirection.docx) |
| [Mod\_03\_18 presentation](https://www.sem-o.com/documents/market-modifications/MOD_03_18/Presentation.pptx) |
| [Mod\_32\_18 presentation](https://www.sem-o.com/documents/market-modifications/MOD_32_18/Mod_32_18-slides.pptx) |
| [Mod\_33\_18 presentation](https://www.sem-o.com/documents/market-modifications/Mod_33_18/Mod_33_18UpdatetoUnitUnderTestProcess.pptx) |
| [Mod\_38\_18 presentation](https://www.sem-o.com/documents/market-modifications/Mod_38_18/Mod_38_18.pptx) |
| [Mod\_03\_19 presentation](https://www.sem-o.com/documents/market-modifications/MOD_03_19/MOD_03_19.pptx) |
| [Mod\_05\_19 presentation](https://www.sem-o.com/documents/market-modifications/MOD_05_19/Mod_05_19AmendmenttoUninstructedImbalanceCharge(CUNIMB)tocorrectfornegativepricescenarios.pptx) |
| [Mod\_06\_19 presentation](https://www.sem-o.com/documents/market-modifications/MOD_06_19/MOD_06_19DeterminationoftheMarginalEnergyPricewherenoenergyisavailableintheNetImbalanceVolumeDirection.pptx) |

In Attendance

|  |  |  |
| --- | --- | --- |
| Name | Company | Position |
| **Modifications Committee** | | |
| Paraic Higgins | ESB GT | Generator Member |
| Sinead O’Hare | Power NI PPB | Generator Member |
| David Gascon | BNM | Generator Alternate |
| Karen Shiels | UREGNI | RA Alternate |
| Julie Anne Hannon | Bord Gais Energy | Supplier Member (Chair) |
| Philip Carson | Power NI | Supplier Alternate |
| Adelle Watson | NIE Networks | MDP Member |
| Robert McCarthy | Captured Carbon | DSU Alternate |
| Philip McDaid | Budget Energy Ltd | Supplier Member |
| Katia Compagnoni | SEMO | MO Alternate |
| Christopher Goodman | SEMO | MO Member |
| Anne Trotter | Eirgrid | TSO Alternate |
| Siobhan O’Neill | Electroroute | Interconnector Alternate |
| Kevin Hannafin | Viridian Power & Energy | Generator Member |
| Barry Hussey | CRU | RA Member |
| Marie-Therese Campbell | SONI | TSO Member |
| Cormac Daly | Tynagh Energy Ltd | Generator Member |
| **Secretariat** | | |
| Sandra Linnane | SEMO | Secretariat |
| Esther Touhey | SEMO | Secretariat |
| **Observers** | | |
| Patrick O Neill | TSO | Observer |
| Joe Devlin | PPB | Observer |
| Francis Mallon | Energia | Observer |
| Matt O Kane | IPower | Observer |
| Maeve McSparron | AES | Observer |
| Emeka Chukwureh | Enel X | Observer |
| Connor Powell | SSE | Observer |
| Brian Mongan | Powerhouse Generation | Observer |
| Stacy Feldman | SSE | Observer |
| Gina Kelly | CRU | Observer |
| Aodhagan Downey | SEMO | Observer |
| Lisa McMullan | GridBeyond | Observer |
| Paddy MacDonald | Empower Generation | Observer |
| Thomas Quinn | CRU | Observer |

# Semo Update

Secretariat welcomed all attendees to the Modifications Meeting.

Minutes for Meeting 88 were read and approved with tracked changes received from Bord Gais. The minutes will be published following the meeting.

Working Group Reports have been circulated for attendee review for both Mod\_03\_18 and Mod\_32\_18. Second meetings will be required for both Working Groups – dates to follow.

The secretariat explained there were two changes to the alternate with Keith Plunkett replacing Gerry Halligan and Sean McParland replacing Derek Scully. Chair thanked Gerry and Derek for their service to the Modifications Committee.

# Review of Actions

|  |  |
| --- | --- |
| Mod\_03\_18 Autoproducer Credit Cover | * Proposer to liaise with Working Group to develop version 2.0 of this proposal following the establishment of said Working Group - **Closed** * Secretariat to establish a Working Group – **Closed** * Secretariat to request extension for this modification to be placed on to D+2 – **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 – **Open** |
| 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\_37\_18 Housekeeping between V20 and V21 | * Secretariat to draft Final Recommendation Report **- Closed** |
| MOD\_35\_18 Clarification to dispute process | * Secretariat to draft Final Recommendation Report – **Closed** |
| MOD\_36\_18 Settlement document and Invoice Terminology clarification | * Secretariat to draft Final Recommendation Report - **Closed** |
| MOD\_32\_18 Removal of exposure for “in merit” generator units against BOA | * Secretariat to draft and circulate Terms of Reference **- Closed** * Secretariat to establish a timeframe for a Working Group – **Closed** |
| MOD\_34\_18 Removal of MWPs for biased quantities and negative imbalance and clarifications to determination of Start Up Costs Final | * SEMO to provide an estimated value to date for impact on Imperfection Tariff (SEMO will endeavour to have an estimate before the decision however a final assessment may require longer) - **Open** * SEMO to provide a summary of the knock on impact to generators to date and examples of cases analysed (required prior to decision) - **Closed** * SEMO to provide details on the potential template that can be used to forecast the issue going forward (required prior to decision) - **Open** * SEMO to organise a Q&A session for all participants in relation to the use of the template (not required prior to decision but intended to be held in a timely manner after decision) – **Open** * SEMO to review design testing scenarios to include additional PTs suggestions such as Euphemia two shifts cases and any new additional ones to be sent in by Wed 19th Dec 2018 (required prior to decision) – **Closed** * SEMO to look into the application of a workaround to apply in settlement to allow for resettlement on an ad-hoc basis if an upheld Formal Settlement Query is of high materiality (not required prior to decision) - **Closed** * RAs to provide for the resolution of these actions to be considered in the Decision Letter – **Closed** * Secretariat to draft Final Recommendation Report - **Closed** |
| MOD\_38\_18 Limitation of Capacity Market Difference Payments to Metered Demand | * SEMO to forward presentation for further analysis - **Closed** |

SEMO gave an update on the actions for MOD\_34\_18. They are currently trying to get a resolution on the report for this Modification. It was confirmed that actions are progressing in relation to Operational Updates.

# Deferred Modifications Proposals

## mod\_03\_18 Autoproducer credit cover

Secretariat confirmed that the Working Group 1 Report has been drafted and sent for attendee review with a closing date for comments this week. The final version will be published online and sent to the committee. A second meeting will be required with a date to be communicated shortly.

## mod\_32\_18 Removal of exposure for “in merit” generator units against boa

Secretariat confirmed that the Working Group 1 Report has been drafted and sent for attendee review with a closing date for comments this week. The final version will be published online and sent to the committee. A second meeting will be required with a date to be communicated shortly.

## mod\_33\_18 update to unit under test process

The proposer delivered a [presentation](https://www.sem-o.com/documents/market-modifications/Mod_33_18/Mod_33_18UpdatetoUnitUnderTestProcess.pptx) explaining that the Unit Under Test Process in the Trading and Settlement Code (T&SC) does not accurately reflect the actual process, as a result of changes over time and particularly as a result of I-SEM. Testing Tariffs have changed significantly post I-SEM and this Modification Proposal was raised to ensure the T&SC accurately details the process.

Discussion took place regarding the Grid Code having priority over the T&SC. It was suggested that it was preferable that a change could be effected to the T&SC rather than the Grid Code. There was understanding of the need for this Modification Proposal but concerns relating to the legal drafting were raised as the term ‘Under Test Flag’ is not defined in the Grid Code. RA Member expressed the opinion that this solution may be over engineered. MO Alternate confirmed that, although it seems that some of the text is out of place in the T&SC because it refers to the Grid Code, it is necessary in the context of Physical Notification submission which is detailed in the T&SC and Testing Tariffs application which is also detailed in the T&SC. A lack of reference to Test flags and their submission would create a gap in the Code. TSO Alternate advised that in fact the aim of this Modification Proposal was to provide a simplified approach and to offer transparency to PTs.

The legal drafting was discussed at length with alternative drafting suggested that would be satisfactory. It was agreed that this proposal is deferred and the Proposer will develop Version 2.0 encompassing the suggested legal drafting discussed.

Legal drafting changes discussed –

* Para 8 & Para 9 (re Appendix F)– remove text ‘in accordance with the Grid Code’
* Para 8 needs to be linked to Para 7 (to ensure readers understand it relates to test flag under the grid code) with additional wording in paragraph 8 such as ‘for the purpose of fulfilling paragraph 7’
* D.7.3.2 Powers for TSO to grant Under Test status are given under Grid Code and not Trading and Settlement Code therefore remove wording about TSOs having vires in granting status at beginning of D.7.3.2 and generalise which units cannot be given under test status
* D7.3.6 leave wording as is in proposal not in slide pack to clarify it is the MO that “shall” record the information received from the TSO (not that the TSO has any powers under the Code in this regard)

Decision

This Proposal was Deferred.

**Actions:**

* Proposer to draft Version 2.0 with updated legal drafting - **Open**
* Secretariat to circulate this proposal when available - **Open**

## mod\_38\_18 limitation of capacity market difference payments to metered quantity

The Proposer delivered a [presentation](https://www.sem-o.com/documents/market-modifications/Mod_38_18/Mod_38_18.pptx) explaining the rationale behind the Modification. The changes can be divided in two parts: the first is the addition of MGLF in the formula to address a scenario which occurred in Market trial; the second to add MIN/MAX clauses to bring it in line with the Difference Charge calculation.

Without the addition of MGLF, if back up price is used and estimated correctly by PTs, it could end up with large payments to the participant which would not be reflective of the intent of the Code. Instead the addition of the min/max algebra will not have huge impact but it should be corrected.

Discussion took place relating to the change to introduce QMLF at length. The issue of the necessity of this system change was also discussed. It was advised that this was a high impact / low probability event. Interconnector Alternate questioned the possible infrequency of such an occurrence and asked for more worked examples with less extreme values to better understand the Modification Proposal and the related risks with not fixing this issue. Members expressed the opinion that this is considered to be self-policing (e.g. role of MMU unit and REMIT legislation) and there are lots of system changes with priority over this one.

Chair voiced concern of the risk this issue may pose to the Socialisation Fund as demonstrated in the example given by the proposer in their presentation, but acknowledged the fact that more pressing system changes were required. The role of the Market Monitoring Unit was discussed and the idea of over regulation as well as the fact that collateral obligations should deter the likelihood of this risk arising.

The SEMO Member expressed the view that as well from the desire to mitigate against the potentially high materiality impact of the low probability high impact event described, there appeared also to be an argument in principle for limiting the supplier hedge at the strike price via difference payments to QMLF. They went on to state that in their view it was unusual for an option contract to apply a different volume to the payment made when the option is in the money, than it does to the coupon paid to purchase the option. The SEMO Member also questioned whether retaining the existing provisions which allow the hedge via difference payments to exceed QMLF could lead to a situation whereby payments in for volumes in excess of QMLF for one or more Supplier could result in the socialisation fund being depleted to the detriment of other Suppliers. RA member asked if this could be implemented by applying a tolerance limit to the MGLF and proposer agreed to investigate the option.

The proposer explained that there were two elements to this modification proposal and the second element in relation to the min/max algebra needed to be corrected, and even if just this min/ max algebra was corrected that of itself would also require system changes. It was agreed that the Proposer would draft a separate version of this Modification Proposal focusing solely on the Min/Max Algebra issue to be considered separately while providing more details of QMLF with less extreme values.

Decision

This Proposal was deferred.

**Actions:**

* Proposer to draft Version 2.0 with QLMF removed and more examples provided for MIN /MAX individually and QMLF with less extreme values - **Open**
* Proposer to investigate the application of a tolerance factor to MGLF - **Open**

# New Modifications Proposals

## mod\_01\_19 negative interest rates in the sem

This Modification Proposal allows for the application of negative interest to be applied to all credit balances held with the SEM Bank. Proposer confirmed that the SEM bank services will be going for tender and that the new SEM Bank should be in place in the next 3 months and this matter would be specifically addressed within that tender scope. Generator Member queried how interests would be applied in order to allow accounts to be replenished. Proposer confirmed that this would be completed on a quarterly basis and Participants would be informed through standard credit processes.

Supplier Member queried possible impact on UK accounts in terms of what would happen if the Bank of England also applied negative interests. It was confirmed that negative rates would be charged on sterling accounts also if this was the case. The Committee were satisfied to proceed to a Vote.

Decision

This Proposal was Recommended for Approval.

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| **Recommended for Approval** |

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| **Recommended for Approval by Unanimous Vote** | | |
| Sinead O’Hare | Generator Member | Approve |
| Siobhan O’Neill | Interconnector Alternate | Approve |
| Philip McDaid | Supplier Member | Approve |
| Philip Carson | Supplier Alternate | Approve |
| Kevin Hannafin | Generator Member | Approve |
| Paraic Higgins | Generator Member | Approve |
| David Gascon | Generator Alternate | Approve |
| Robert McCarthy | DSU Alternate | Approve |
| Julie Anne Hannon | Supplier Member (Chair) | Approve |

**Actions:**

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

## mod\_02\_19 Removal of difference charges for generators during ro event periods

The proposer explained the rationale for this Modification Proposal explaining the current implementation of this decision in the T&SC exposes holders of Reliability Options (ROs) to difference charges at all times regardless of whether or not an RO event has occurred. The proposed modification seeks to minimise the changes to algebra and central market systems by setting the appropriate within day difference charge component to zero when the Balancing Market Reference Price is below the Strike Price. The Proposer stressed that in these circumstances they are effectively running at a loss.

Observer commented that such outcomes were as intended under the current rules and were considered to be a reflection of the policy decision. RA Alternate concurred that Market Design and Policy implications could not be ignored and that this proposal would be a fundamental change to current rules. The proposer explained that under the current bidding code of practice, which is being followed, and the BMPCOP they are limited in how they can reflect their costs. Such costs also considered too high to allow trading any amount in Intra Day Continuous. The various Pricing mechanisms were discussed at length. Observer commented on how far the supplier hedge against high prices goes and if it was expected the hedge would extend this far. DSU Alternate spoke in support of the Modification Proposal stating that whilst appreciating the logic of the original design, the RO in these circumstances is not providing a hedge in the RO/ socialisation fund sense as the RO paybacks in these situations are not going to cover suppliers’ exposure to high prices at the time, rather they are going into the socialisation fund, and he agreed with the intent of the Proposal. Observer noted that from a supplier perspective you should see the socialisation fund reduce year to year on foot of such payments and that imperfections charges might also be reduced. Some noted that this is outside of the aim of the RO and the RO hedge that was intended to apply. Chair noted that majority market participants present appeared to be of the view that they did not expect the market design to be interpreted into the algebra in the way that it has been, such that RO paybacks would be required even in instances when the market-wide balancing market price did not exceed the RO strike price.

MO Member expressed concern at a two tiered playing field in relation to simple and complex offer data noting that the proposal justification appeared to focus on complex offer data but the proposed drafting did not appear to distinguish between the two. MO Member raised a concern about treating the two types of offer data differently if that is the intention and wished to clarify whether the proposer wished to make the change for both offer types.

Generator Members voiced their position that if generators are called for a system reason, they should not be penalised for this. A Supplier Member questioned the rationale of allowing a unit to run at a loss. An RA member explained the need for the CRM design to be taken into account together with other implications such as externalities.

Observer raised concerns that differing application of difference charges in the within day and imbalance markets could lead to a distorted incentive not to trade within day.

Another observer stated their understanding, from the capacity design sessions, that the current design of applying difference charges where a balancing offer exceeds the strike price is not accidental and was part of the intended design.

Through the course of a detailed and extensive discussion about possible ways of addressing the problem in question and issues implicated depending on how the problem in question could be addressed, it was agreed that the following items could inform the final decision to be taken by the RAs on the issue:

* Market Design, e.g. setting of USPC, RO strike price level, bidding rules
* Policy Decisions
* Generator’s materiality
* External Factors – Lack of short term Gas Capacity Productions in Northern Ireland and its impact on the wholesale electricity market and capacity market

Supplier Member expressed concerns over the funding of the socialisation fund and requested SEMO to confirm whether this revenue had been considered for this year’s calculation, which SEMO took an action on.

Some Members expressed concern at proceeding to a vote on something so fundamental without any wider industry involvement and without an analysis available on which to make a decision considering the number of issues noted as being implicated depending on the way the problem in question could be addressed.

The Proposer was keen for this Modification Proposal to be progressed and they asked whether they could have a forum set up and led by the SEM Committee and the Regulators to discuss Market Design and Policy Implementation implications of resolving the exposure risk under discussion. Secretariat noted that such a SEMC/ RAs led forum was outside the remit of the Modifications committee process and procedures. T,,covering e.g. the design and policy issues previously raised, It was also expressed that the remit of any such Working Group established under the Modifications committee would be narrow in scope with the terms of reference limited to the Modification on the table.

RA Member noted that if the Modification was not voted on today further consideration could be given to the various implications that might need consideration depending on how the problem is addressed/ resolved and these could be discussed further at a future Modifications committee meeting. RA Member emphasised that as per the process the SEM Committee remit is only to make a Final Decision based on the Final Recommendation Report on the Modification Proposal presented and, where not enough information were available to make a recommendation, they would send the proposal back for further analysis.

Systems

After much deliberation it was agreed that a vote would be taken.

Decision

This Proposal was Recommended for Approval Subject to a Systems Impact Assessment.

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| **Recommended for Approval** |

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| **Recommended for Approval by Majority Vote subject to Impact Assessment** | | |
| Sinead O’Hare | Generator Member | Approve |
| Siobhan O’Neill | Interconnector Member | Abstain |
| Philip McDaid | Supplier Member | Approve subject to Impact Assessment |
| Philip Carson | Supplier Alternate | Approve |
| Kevin Hannafin | Generator Member | Approve |
| Paraic Higgins | Generator Member | Approve subject to Impact Assessment |
| David Gascon | Generator Member | Reject |
| Robert McCarthy | DSU Alternate | Approve |
| Julie Anne Hannon | Supplier Member (Chair) | Approve subject to Impact Assessment |

**Actions:**

* Secretariat to draft Final Recommendation Report - **Open**
* SEMO to complete Impact Assessment - **Open**
* SEMO to confirm if this has been factored into Socialisation Fund - **Open**
* Proposer to provide detailed analysis demonstrating the materiality impact - **Open**

## mod\_03\_19 Amended application of the market back up price if an imbalance Price(s) Fails to Circulate

The proposer delivered a [presentation](https://www.sem-o.com/documents/market-modifications/MOD_03_19/MOD_03_19.pptx) highlighting the need for a Market Back Up Price as a replacement for any Imbalance Price that fails to circulate rather than solely the Imbalance Settlement Price. The proposer went through a number of examples to support the above and confirmed that this waterfall approach worked very well.

A discussion took place assessing other options. DSU alternate noted the need for wording such as “as applicable to the relevant imbalance pricing period” to be included in section E.5 as the Market Back Up Price is on a 30 minute, as opposed to 5 minute time period. A Generator Member stated that the reference to a weighted average approach in the proposal explanation was inaccurate. The philosophy of the proposal would be that an average would always be done over six 5 minute periods with the Market Back Up Price replacing any missing 5 minute prices and so use of the word “weighted” was not required. A system impact assessment was called for, noting that the change would have to cater for the outcomes of different 5 minute periods failing with a decision to subsequently be informed by this assessment.

Decision

This Proposal was deferred.

**Actions:**

* Impact assessment to be done by SEMO to inform decision - **Open**

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

The Proposer summarised the rationale for this Modification Proposal stating that currently indicative settlement is not run on non-working days and this proposal seeks to have indicative settlement run on working and non–working days. The result of this is a large over collateralisation due to traded not delivered volumes being exaggerated for days for which indicative settlement has not been completed. The figures quoted in the Modification Proposal justification form were questioned by DSU representative with the Proposer accepting he could not provide further clarity.

An MDP member confirmed that the above was previously assessed and was not progressed due to costs that weren’t viable. They also confirmed that it is only Saturdays and Sundays all year around (and not all holidays) when metering aggregations for indicative settlement arenot run. TSO Member also advised that this would also impact on their working processes and whilst already operating on a 7 day working week there would indeed be an impact both in terms of data and resourcing. MO Member reiterated the TSO position and confirmed this would be the same for the MO.

A discussion began around the possibility of using contingency data to minimise the impact. It was noted by Participants that this might not actually reduce the issue and could actually exacerbate it, as indeed this happened during Market trials with contrasting results. A further alternative whereby indicative settlement runs were caught up on prior to the next credit report being determined was considered and deemed as having potentials. This option would need to have an impact assessment done and it was agree that this would be explored first rather than assessing the impact of carrying out indicative settlement runs on non working days which would only be reconsidered if the alternative was not viable.

Decision

This Modification Proposal was deferred.

**Actions:**

* SEMO to confirm if there is currently a credit report on non-working days which are weekdays – **Open**
* SEMO to investigate potential alternative of catching up indicative settlement prior to credit report calculations to inform next steps - **Open**

## mod\_05\_19 Amendment to uninstructed imbalance charge (cunimb) to correct for negative price scenarios

SEMO made a request for this modification to be deferred as there was an additional change required for the same paragraph which was identified after this proposal was submitted. The proposer also noted that there was an error in one of the examples in the original proposal. They wished to submit a version 2 of this for consideration at Meeting 90

Decision

This Proposal was deferred

**Actions:**

* SEMO to submit a version 2 of this proposal - **Open**

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

This Modification Proposal was deferred due to time constraints and will be discussed at Meeting 90. Proposer advised they had drafted a Version 2.0 for consideration having noted some issue in the drafting.

Decision

This Proposal was deferred

**Actions:**

* Secretariat to Issue Version 2.0 and presentation material to Modifications Committee Members – **Open**

# AOB/Upcoming events

Secretariat thanked all for attending and confirmed that Modifications Meeting 90 has been scheduled for Thursday, 11 April 2019 in Dublin.

# Appendix 1 – Programme of Work as Discussed at Meeting 89

|  |  |  |
| --- | --- | --- |
| **Status as at 20 February 2019** | | |
| **Modification Proposals ‘Recommended for Approval’ without System impacts** | | |
| **Title** | **Sections Modified** | **Sent** |
| MOD\_25\_18 Part B Unsecured Bad Energy Debt & Unsecured Bad Capacity Debt Timelines & Correction | T&SC Part B Section G  Glossary Part B  Agreed Procedure 15 Sections 2 and 3 | 20 February 2018 |
| MOD\_35\_18 Clarifications to Dispute Process | B.19.3 and E.3.8 | 8 February 2018 |
| MOD\_36\_18 Settlement Document and Invoice Terminology Clarifications | Part B Appendix G Paragraphs 2 to 5  Part B Glossary “Settlement Document”  Part B Agreed Procedure 15 sections 2.11, 2.4 and 3.3 | 8 February 2018 |
| MOD\_37\_18 Housekeeping between V20 and V21 | Part A 2.35 and 6.50, Appendix M and O, AP04 – Part B F.2.2.1A, G.2.10.2, G.2.10.5, G.14.3.1, G.14.4.1, section H.6 to H.12, Glossary, AP09 and AP16 – Part C section 12 to 14 | 8 February 2018 |
| **Modification Proposals ‘Recommended for Approval ’ with System impacts** | | |
|  |  |  |
| **Modification Proposals ‘Recommended for Rejection’** | | |
| N/A | N/A | N/A |
| **RA Decision ‘Further Work Required’** | | |
| N/A | N/A | N/A |
| **RA Decision Approved Modifications with System Impacts** | | |
| Mod\_03\_17 Treatment of Transmission Losses for Trading Sites with Contiguous Auto producers in I-SEM | I-SEM TSC F.4 | 19 October 2017 |
| MOD\_34\_18 Removal of Make-Whole Payments for biased quantities and negative imbalance revenue, and small clarifications to determination of Start Up Costs incurred and saved | F.11.2, F.11.4. | 27 January 2019 |
| **RA Decision Approved Modifications with no System Impacts** | | |
| Mod\_02\_17 Unsecured Bad Energy Debt and Unsecured Bad Capacity Debt Timelines | T&SC Section 6.5  AP15 | 27 September 2018 |
| Mod\_04**\_**17 Solar in the Single Electricity Market | Noted in proposal form | 24 October 2017 |
| Mod\_5\_17 Amendment to Part B Form of Authority for the purpose of removing the Restricted Authority provision | Appendix C – Form of Authority | 24 October 2017 |
| Mod\_06\_17 Transitional Credit Cover Provisions | Part C Introduction, Part C Section 11, Part C Glossary and Part C Appendix | 26 February 2018 |
| Mod\_07\_17 : Credit Assessment Volume for Generator Units | T&SC Part B  Clause G.14.4.1  Glossary Part B  Definition - Credit Assessment Volume  Variable - VCAG | 6 February 2018 |
| Mod\_08\_17 : Decremental Price Quantity Pair Submission | T&SC Part B  D.4.1.1, D.4.4.2, D.4.4.10, D.4.4.11 | 6 February 2018 |
| Mod\_09\_17 : Solar in I-SEM | See Mod Proposal | 6 February 2018 |
| Mod\_10\_17 Ex-Ante Quantities Deferral | Section F  F.5.2.6  F.5.2.7  F.5.2.8  F.5.2.9  Section H.8  H.8.1  H.8.2  H.8.3  H.8.4 | 26 February 2018 |
| Mod\_11\_17 : Deferral of Information Imbalance Charges | Part B Section H.6  Part B Appendix G paragraph 14  Part B Glossary | 9 February 2018 |
| Mod\_12\_17Outage Adjusted Wind and Solar Forecast Reports | Part B Appendix E Table 4  Part B AP06 Appendix 2 | 29 March 2018 |
| Mod\_13\_17 Deferral of SEMO NEMO Credit Reports and Non Acceptance of Contracted Quantities | Part B clauses G.12.2, G.12.3, F.2.2.3, B.19.2.1, H.9 and H.10  Part B Agreed Procedure 09 sections 2.5.2 and 3.1  New Glossary Definition – Mod\_XX\_17 Deployment Date | 22 June 2018 |
| Mod\_14\_17 Part B Suspension When Suspended Under Part A | T&SC Part B Section B.18.3.1 | 29 March 2018 |
| Mod\_15\_17 Credit Treatment for Adjusted Participants | T&SC Part B;  G.12.4.3, G.14.1.2, G.14.1.3, G.14.3, G.14.3.1, G.14.3.2, G.14.3.3, G.14.4, G.14.4.1, G.14.4.2, G.14.5, G.14.5.1, G.14.5.2, G.14.6, G.14.6.1, G.14.8 and G.14.8.1  Glossary Part B;  Adjusted Participant, Credit Assessment Adjustment Factor and Variable FCAA  Agreed Procedures Part B;  2.11.2 | 29 March 2018 |
| Mod\_16\_17 Funding in Relation to Eirgrid/SONI Payment Obligations | T&SC Part B  Glossary Part B | 20 April 2018 |
| Mod\_17\_17 Recovery of Costs due to Invalid Ex-Ante Contracted Quantities in Imbalance Settlement | T&SC Part B  Section G | 20 April 2018 |
| Mod\_18\_17 Net Inter Jurisdictional Flow Submission | Appendices – Appendix L  Glossary  Agreed Procedure 16 – 1.2, 2.2, 2.3, Appendix 1 | 27 September 2018 |
| Mod\_04\_18 Reporting and Publication for Operational Schedules, Dispatch Instructions, Forecast Availability and SO Trades | Part B Appendix E Tables 4 and 8 new Table 10  Part B Agreed Procedure 6 Appendix A | 20 June 2018 |
| Mod\_05\_18 Clarification of Administered Scarcity Pricing function for scenarios not yet covered in rules | T&SC Part B  Section E.4.2, E.4.3 | 20 June 2018 |
| Mod\_06\_18 Clarification of Marginal Energy Action Price calculation including scenario when all actions are flagged | T&SC Part B  E 3.4.2 | 21 June 2018 |
| Mod\_07\_18 Clarification of use of variable “b” in NIV and PAR tagging scenarios | Appendix N | 27 August 2018 |
| Mod\_08\_18 Clarification of rules used to determine the value of Price Average Reference Tag (TPAR) | Appendices Part B  Appendix N clauses 11,12 and 13 | 21 June 2018 |
| Mod\_09\_18 Interim Credit Treatment for Participants with Trading Site Supply Units | T&SC Part B  Glossary Part B  Section H | 27 August 2018 |
| Mod\_10\_18 Amendment to Capacity Settlement Publication from Monthly to Daily | Part B section G.2.5.2  Part B Agreed Procedure 15 section 3.2 (Table and Swimlanes) | 20 June 2018 |
| MOD\_11\_18 Correction of Minor Material Drafting Error | Sections F&G | 20 June 2018 |
| Mod\_13\_18 Calculating Obligated Capacity Quantities for Units Not Yet Commissioned | T&SC Part B  Section F | 27 August 2018 |
| Mod\_14\_18 Change to timing of publication of Trading Day Exchange Rate | T&SC Part B  Part B Appendix E  Agreed Procedures Part B  Glossary Part B | 27 August 2018 |
| Mod\_15\_18 Clarifications for Instruction Profiling | Appendix O | 27 August 2018 |
| Mod\_16\_18 Interim Suspension Delay Periods | Part B Section H Glossary | 27 August 2018 |
| Mod\_17\_18 Transitional Provisions for Cutover | Part C Sections 12 through 14 (new sections) | 27 September 2018 |
| Mod\_19\_18 Part B Housekeeping 1 | Part B Sections B, E, F and G  Part B Appendices E, H and I  Part B Glossary Definitions and List of Variables and Parameters | 27 September 2018 |
| Mod\_20\_18 Agreed Procedures Update V2 | Agreed Procedure 1 Section 2  Agreed Procedure 4 Section 2  Agreed Procedure 15 Section 2  Agreed Procedure 17 Section2 | 27 September 2018 |
| Mod\_21\_18 Application of Settlement Reallocation Agreements to Market Operator Charges & Settlement Document Definition & Usage | Section 5 of TSC, Part B | 27 September 2018 |
|  |  |  |
| Mod\_22\_18 Part B Credit Cover Signage and Subscript Correction | Part B Section G.14  Part B Glossary List of Subscripts | 27 September 2018 |
| Mod\_24\_18 Use of Technical Offer Data In Instruction Profiling / QBOA | Chapter H  Appendix O | 27 September 2018 |
| Mod\_26\_18 Market Back Up Price Reference Corrections | Part B Sections E and G | 27 September 2018 |
| Mod\_28\_18 Ordering of Pseudo Dispatch Instructions for QBOA with the same instruction Issue Time and Instruction Effective Time | Appendix O | 27 September 2018 |
| Mod\_29\_18 Part B Schedule Production Cost Definition | Definitions | 27 September 2018 |
| Mod\_30\_18 Market Back Up Price Amendment | Part B Section E | 27 September 2018 |
| Mod\_31\_18 Imbalance Pricing During Outages of the Imbalance Pricing System | Part B Section E.2.2.3 | 27 September 2018 |
| **RA Decision Rejected** | | |
| Mod\_27\_18 Interim arrangements in Appendix O for Instruction Profiling and Bid Offer Acceptance Quantity Outcomes in a Subset of Undo Scenarios | Chapter H | 27 September 2018 |
| **AP Notifications** | | |
| Mod\_01\_18 Notification of Suspension to SEM NEMOs | AP 18 Suspension and Termination  Section 3.3 – Issuing a Suspension Order | 5 April 2018 |
| Mod\_02\_18 Meter Data Publication Timing | AP06 Appendix 2 – Report Listing | 27 September 2018 |
| Mod\_12\_18 Modification to Part B Agreed Procedure 17 | Agreed Procedure 17 Part B | 27 September 2018 |
| MOD\_23\_18 Payment and Invoice Day Exchange for Part A Currency Costs Post Cutover | Part A Agreed Procedure 15 Appendix 1 | 27 September 2018 |
| **Withdrawal Notifications** | | |
| Mod\_18\_18 Transitional Regulatory Reporting | Part C section 16 (new section) | N/A |
| **Modification Proposal Extensions** | | |
| Mod\_03\_18 Autoproducer Credit Cover | G4 to G15 | N/A |
| * **Meeting 90 – 11 April 2019 – Dublin – Eirgrid Conference Centre** | | |