

An Coimisiún
um Rialáil Fóntas
**Commission for
Regulation of Utilities**



Trading and Settlement Code Modifications Committee
C/O Esther Touhey
SEMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

27 March 2017

Our Ref: D/18/4949

SEM Committee Decision for the Regulatory Authorities in relation to Mod_14_17 (Final Recommendation Report FRR_14_17)

Dear Esther,

On 6 February 2018, the Modifications Committee submitted its Modification Recommendation Report with regard to Modification Proposal, Mod_14_17: Part B Suspension when Suspended under Part A, in accordance with Paragraph B.17.18.1 of Part B of the SEM Trading and Settlement Code (the Code).

The Modification Proposal Mod_14_17 was submitted to the Modifications Committee by the Single Electricity Market Operator (SEMO) on 28 November 2017.

The Proposed Modification seeks to allow the Market Operator to suspend under Part B of the Code any Party who is suspended under Part A. Based on the existing drafting a Party who triggered suspension under Part A but not under Part B could continue to be active under the Part B because in the Code the provisions in Parts A and B apply in isolation to Trading Periods prior to and after the cutover time.

If the Suspension of a Party under Part A and Part B is not synchronised this could result in causing financial risk to other Parties and impeding the secure operation of the Single Electricity Market since the existing provisions allow for a Party who has failed to meet their financial obligations under Part A to continue to be active under Part B.

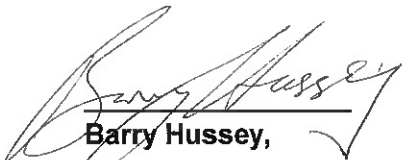
The Regulatory Authorities note that the Members of the Modifications Committee were unanimous in their view that the Modification Proposal would better facilitate the achievement of the Code Objectives, specifically, to facilitate the efficient discharge by the Market Operator of the obligations imposed upon it by its Market Operator Licences.

The Regulatory Authorities note that a presentation was made to the Modifications Committee meeting on 12 December 2017. The presenter explained the reasoning for the Modification and requested the introduction of a trigger within Part B of the Code to ensure that where a Party is suspended under Part A then Suspension under Part B can be pursued resulting in concurrent Suspension processes.

The Regulatory Authorities note that this Modification is needed for the secure operation of the Single Electricity Market and its introduction will not cause any technical changes.

Considering the above, and in accordance with Paragraph B.17.20 of the Code, the SEM Committee directs that a Modification, as set out in Appendix 1 of FRR_14_17, be made on a Trading Day basis with effect from two Working Days after the date of this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Barry Hussey', written over a horizontal line.

**Barry Hussey,
Manager**

Wholesale Electricity Markets

