



Errors in the Designated SEM Trading and Settlement Code

The Regulatory Authorities have discovered that there are several obvious material errors in the version of the SEM Trading and Settlement Code (TSC) which was designated on 3 July 2007. These errors consist of small blocks of text which have been blanked out. It is thought that this may have occurred during the process of creating the adobe version of the document for publication.

The errors concerned appear in the paragraphs listed below:

- (a) paragraph 2.25 at the top of page 8;
- (b) paragraph 2.144 at the top of page 26;
- (c) paragraph 2.282 at the top of page 44;
- (d) paragraph 2.295 at the top of page 46;
- (e) paragraph 4.79 at the top of page 83;
- (f) paragraph 6.32.2 at the top of page 151; and
- (g) paragraph 6.36 at the top of page 152.

In each case the correct version of the text which is missing is shown in version 2.0 of the TSC which was published on 31 May 2007¹. But this text is not included in the legal TSC because the designated version incorporated the above errors. These errors need to be corrected and the simplest method of making the corrections is through the TSC modification process.

The TSC gives the Regulatory Authorities the right to propose a modification to the Code² but the Regulatory Authorities take the view that, since they are required to approve any proposed modification before it can become effective³, under normal circumstances they should not propose a modification.

However, in these exceptional circumstances, the Regulatory Authorities intend to propose the urgent modification attached to this note to correct these obvious and material errors.

Please address any queries on this notice to Philip Newsome (pnewsome@cer.ie).

¹ See AIP/SEM/07/224.

² See TSC paragraph 2.188.

³ See TSC paragraph 2.218.

MODIFICATION PROPOSAL FORM

MODIFICATION PROPOSAL - SUBMISSION FORM

Modification Proposal submitted by	Date of Submitting Proposal:	Type of Proposal (delete as appropriate)	Modification Proposal Number: <i>(to be assigned by Secretariat)</i>
Philip Newsome on behalf of the Regulatory Authorities		Urgent	

Contact Details for Modification Proposal Originator *(if not a member)*

Name: Philip Newsome

Telephone number: +353 1 4000 800

Address: CER, Exchange Building Tallaght, Dublin

e-mail address: pnewsome@cer.ie

Modification Proposal Title;

Seven Errors in the Designated TSC

Trading and Settlement Code section(s) affected by Modification Proposal

Paragraphs: 2.25; 2.144; 2.282; 2.295; 4.79; 6.32.2 and 6.36

Modification Proposal Description

Clearly state the desired amendment and all text formula changes to the code and/or Attach further information if necessary

The designated version of the TSC has been discovered to contain errors where areas of text have been blanked out. The text left is incomplete and obviously in error and needs to be corrected as below:

Paragraph 2.25: after the words “pursuant to the” add the words “ consent of the Regulatory Authorities, to appoint an intermediary in respect of a Generator to which this paragraph applies, it may procure registration of the Generator as a Generator Unit by the relevant Intermediary in accordance with the Code.”

Paragraph 2.144: after the words “The Market Operator shall report to the Regulatory Authorities in writing on a monthly basis or at such other intervals as the Regulatory Authorities may” add the words “ reasonably request and in such manner and to such an extent as reasonably specified by the Regulatory Authorities. The Market Operator shall publish such reports. The reports shall set out in reasonable detail information about:”

Paragraph 2.282: after the words “Notice of Dispute shall be deemed to have been”

add the words “issued on the date on which the Market Operator was required to issue its determination in respect of the Settlement Query or Data Query”

Paragraph 2.295: after the words “Where there are no more than two Disputing Parties, the Disputing Parties may agree within 10 Working Days of date of receipt by the receiving Party of the Referral Notice to establish a sole member” add the words “ DRB or a three member DRB. If the Disputing Parties to a Dispute agree to establish a sole member DRB, they shall agree to appoint the sole DRB member within a further 5 Working Days. If the Disputing Parties agree on a three member DRB, then each Disputing Party will within a further period of 5 Working Days nominate one member of the Panel to the DRB and the two members so nominated will appoint the third member within a further period of 5 Working Days.”

Paragraph 4.79: after the words “The Market Operator shall procure that, for any Trading Period when an Insufficient Capacity Event has occurred within a run of the MSP Software in” add the words “ accordance with paragraph 4.73 above, then the results of that run of the MSP Software for that Trading Period shall be determined as follows:”

Paragraph 6.32.2: after the words “as set out in paragraph” add the words “6.30 above and the balance (if any) shall be held in trust in respect of the Participant as provided for in paragraph 6.32.1 subject to paragraph 6.32.3 where applicable; and”

Paragraph 6.36: after the words “Except as expressly provided for in the Code, each Party and Participant waives any right it might otherwise have to set off against any obligation owed to the Market Operator, the SEM Bank or any other Party or” add the words “ Participant any claims such Party or Participant may have to or in respect of any monies standing to the credit of the relevant SEM Trading Clearing Account, SEM Capacity Clearing Account or SEM Collateral Reserve Account as applicable.”

Modification Proposal Justification

Clearly state the reason for the Modification. Attach further information if necessary

The version of the SEM Trading and Settlement Code as designated on 3 July 2007 incorporated seven errors where text had been blanked out. These differences between the designated TSC and the version 2.0 of the TSC published on 31 May 2007 are obvious and material errors and need to be corrected so that the Code is complete.

Implication of not implementing the Modification

The seven paragraphs concerned are incomplete and their meaning cannot be determined from the text that remains, without referring to the previously published (on 31 May 2007) v 2.0 of the TSC, which has no legal status.

Please return this form to Secretariat - e-mail (modifications@allislandmarket.com), fax (tbc), postal address (tbc)

Notes on completing Modification Proposal Form:

1. If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal Originator.
2. Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Modifications Committee.
3. Each Modification Proposal will include a draft text of the proposed Modification to the Code.
4. For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:

Code:	means the Trading and Settlement Code for the Single Electricity Market
Modification Proposal:	means the proposal to modify the Code as set out in the attached form
Derivative Work:	means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal

The terms "Market Operator", "Modifications Committee" and "Regulatory Authorities" shall have the meanings assigned to those terms in the Code.

In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Sections xx of the Code, which I have read and understand, I agree as follows:

1. I hereby grant a worldwide, perpetual, royalty-free, non-exclusive licence:
 - to the Market Operator and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;
 - to the Regulatory Authorities, the Modifications Committee and each member of the Modifications Committee to amend, adapt, combine, abridge, expand or otherwise modify the Modification Proposal at their sole discretion for the purpose of developing the Modification Proposal in accordance with the Code;
 - to the Market Operator and the Regulatory Authorities to incorporate the Modification Proposal into the Code;
- 1.4 to all Parties to the Code and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the Code or otherwise, for any purpose arising out of or in connection with the Code.
2. The licences set out in clause 1 shall equally apply to any Derivative Works.
3. I hereby waive in favour of the Parties to the Code and the Regulatory Authorities any and all moral rights I may have arising out of or in connection with the Modification Proposal or any Derivative Works.
4. I hereby warrant that, except where expressly indicated otherwise, I am the owner of the copyright and any other intellectual property and proprietary rights in the Modification Proposal and, where not the owner, I have the requisite permissions to grant the rights set out in this form.
5. I hereby acknowledge that the Modification Proposal may be rejected by the Modifications Committee and/or the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the Code.