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24th January 2017

RE: Consultation on Energy Trading Arrangements, Trading and Settlement Code (SEM-16-075)

Dear Sir/ Madam,

Bord Gáis Energy (**BGE**) welcomes this opportunity to respond to the Consultation on the Energy Trading Arrangements, Trading and Settlement Code (SEM-16-075), (**the Consultation**). BGE has been an active participant in the Rules Working Group (**RWG**) process which has dealt with a significant number of complex issues in a compressed timeframe. BGE has however certain outstanding concerns relating to particular elements of the draft Trading and Settlement Code (**the Code**) which we urge the Regulatory Authorities (**RAs**) to review and resolve before finalisation of the Code.

BGE has provided its detailed response in terms of proposed amendments to the legal drafting and rationale therefor in accordance with the template provided by the RAs. The detailed response is contained in Appendix 1 attached hereto.¹ In summary, our key remaining concerns with the legal text of the Code are as follows:

- i. **The calculation of ex-ante quantities (“QEX”) in the Code algebra applied for calculating capacity market day-ahead difference quantities is unacceptable (section F.18.4.2):** the effect of applying the algebra as drafted undermines the protection intended for Suppliers and their customers under the Reliability Option (**RO**). For example, were a scarcity event to occur in the Day Ahead Market (**DAM**), an RO difference payment by the capacity provider can be avoided where that capacity provider trades out his DAM volumes in a subsequent Intraday Market (**IDM**) trade. Critically the algebraic approach is a misapplication of the RAs’ detailed design decisions on this issue which provided for a split market option whereby capacity providers/ suppliers are settled depending on volumes traded in each respective market at that market’s price. Enabling capacity providers to avoid such RO paybacks is inequitable and illogical particularly when they are in receipt of the revenues from the relevant market traded in. Overall, there is a dramatic increase in the risk of a hole in the hedge increasing for suppliers, which will manifest itself in the level of funding required in the Socialisation fund. This will have knock on cost implications for consumers. The ability to make informed decisions as to potential capacity auction exposures is also hampered by virtue of this algebra. BGE urges disapplication of the QEX as applied in this section, believing that it is appropriate only for the calculation of capacity market non-performance difference quantities in the Balancing Market (**BM**). Ultimately, BGE urges the RAs to review the algebraic approach to this section, bearing in mind the significant departure from design decisions and potential for considerable negative impacts on suppliers and consumers alike due to the hole in the hedge and risk exposure concerns it raises;
- ii. **The calculation of ex-ante quantities for imbalance settlement period purposes should apply a “weighted” approach as soon as possible (sections F.5.2.2; F.5.2.7):** BGE

¹ BGE has dealt with the concerns in order of document published starting with the main body of the Code, followed by comments on the Code appendices, Transitional Arrangements, Code Agreed Procedures and Glossary

- understands from TSO comments that the calculation of ex-ante quantities for I-SEM go-live will apply pursuant to section F.5.2.2. However, BGE is strongly supportive of the ex-ante quantity approach outlined in F.5.2.7 (whereby hourly quantities are “weighted” on a half-hour basis) as this provides considerable flexibility for market participants in maintaining in-balance positions which will have positive knock-on impacts in terms of customer pricing. We therefore urge consideration of application of F.5.2.7 in I-SEM as early as practicable. Significant algebraic amendments are however required to ensure that unintended impacts, of applying a weighted approach to calculating ex-ante quantities, do not occur. BGE requests commitment from the RAs to review this issue as early as practicable and looks forward to early industry engagement on the issue;
- iii. **Triggers for Administered Scarcity Pricing (ASP) should not include local system factors (section E.4.5.1):** BGE urges the RAs to re-consider the situations that are permitted to contribute to triggers for an ASP. The I-SEM is an all-island market and the RO mechanism is a market-wide mechanism with system-wide benefits. It is inappropriate that an ASP event could arise on foot of local voltage issues (which by their nature can only be resolved by local capacity). BGE seeks removal of two of the co-triggers for an ASP from the relevant list, given the inability of parties in the unaffected jurisdiction to help resolve a situation triggered by a local network specific issues (voltage);
 - iv. **Suspension and Termination provisions (sections B.18.3.1 (o); B.18.6.1 (d)):** BGE does not believe that it is good process to deem suspension or termination/ deregistration to arise in the BM automatically on foot of such suspension or termination in the DAM/ IDM or Capacity Markets. There needs to be an additional process or link between suspension/ termination in any other market and deciding when it shall also apply in the BM. A clear evidential breach of the BM Code itself should be necessary. Furthermore, credit cover provisions in this Code largely protect against default under the DAM/ IDM. Consideration could be given to adding additional requirements for parties to meet on suspension/ termination from another market, in order to prove that such suspension/ termination does not heighten their risk of defaulting under the BM Code, before assigning them with suspension/ termination status under the BM Code;
 - v. **Flexibility to change supplier charge factors within year should be eliminated (e.g. sections F.12.1.4; F.15.2.4):** The option for the market operator to change items such as imperfections charges and currency charges within year is unacceptable from a price stability and certainty perspective. Suppliers often estimate tariffs year ahead and furthermore must give at least 30 days notice of a change in tariff to customers. This introduces considerable uncertainty in price setting. For example, the Imperfection charge for 2016/17 was 55% lower than for 2015/16 due to its overestimation in year 2015/16. BGE urges continued reliance on the k-factor with changes only potentially on at most a yearly basis not least from a supplier certainty and price stability perspective. To mitigate risks to suppliers of ad hoc changes we advocate a two pronged risk management approach. A quarterly review of all charges could occur to see how the actual charge to be levied compares with the predicted charge while simultaneously building up a socialisation fund to protect suppliers (discussed further in next point below). A quarterly review would greatly aid visibility of ad hoc charges and minimise any shocks. In addition, should the charges deviate significantly from forecasted charges then interested parties could discuss the best way forward with regard to over/ under payments, for example by way of the socialisation fund;
 - vi. **A universal socialisation fund should be established:** Related to the above point, and BGE’s concern over potential unforeseen increases in costs, is the area of capacity charging. Notwithstanding the RAs’ confidence in the accuracy of such charges, there remains a risk of an increasing hole in the hedge for suppliers where insufficient payments from generators exist to repay to Suppliers when the strike price is exceeded. This will in turn result in suppliers/ customers paying ad hoc charges. The SEMO capped shortfall fund will go some way to mitigating this but reliance on the difference payment socialisation charges to fund any differences between the capped fund and outstanding repayments to suppliers, is anticipated.

To mitigate Suppliers' exposure in such instances, SEMO's proposed fund for shortfalls in difference payments (to a yet undefined limit) should be formalised and expanded beyond the Capacity Market (**CM**) to other supplier related charges e.g. imperfections charges and all capacity difference payments (i.e. removing the need for the "suspend and accrue" mechanism). This would mitigate the impact of unexpected mid year charges, help cashflow stability and enable predictable tariffing by suppliers better facilitating competition. Such a universal socialisation fund, should be levied on all metered consumption;

- vii. **Failure in transfer of relevant data to Market Operator for calculations outside the market participant's control should not impact market participants:** There are a number of provisions in the Code that enable the MO to use alternative values in place of the correct quantities/ prices, due to for example the MO not receiving the necessary values on time. BGE believes that market participants should not be negatively impacted in such scenarios which they have no control over (when they are for e.g. due to system failures unrelated to the market participant's systems) and calls for re-pricing and re-settlement depending on the relevant circumstances (see for e.g. sections E.5.1.3; E.6.1.3; F.2.2.5; F.2.7.2);
- viii. **The Interim right to apply for Modification to correct a material error/ inconsistency should extend to market participants:** BGE submits that as well as the Market Operator (MO), market participants should also have the right to apply to the RAs for a modification to this Code or an Agreed Procedure to correct a material error/ inconsistency that becomes apparent in the first 6 months from go-live. Sufficient and reasonable market-wide notice of such changes is also necessary given the potential for system change and cost impacts (section H.2.1.1);
- ix. **Miscellaneous considerations including:**
- a. BGE supports the proposal outlined in the RWG held on 15th December 2016, regarding the treatment of parties providing reserve and their exposure to non performance difference charges during the time of a scarcity event, subject to the implementation of both the "Available Reserve Quantity from Ramp Rates" and "Based on whether Offer Price in Merit". This should help ensure only those technically capable and competitive overall in the market will avail of this exemption;
 - b. Where parameters that are required to be known before capacity auctions are not so provided for in the Code, BGE requests that notice of these parameters at least three months before the relevant capacity auction are made available to enable informed bidding, e.g. the full Administered Scarcity Price, the Reserve Scarcity Price Curve;
 - c. In general, there is significant reference across the Code to the notice to be provided of certain parameters. In numerous cases, there is the potential to interpret the drafted text such that market participants only receive 5 Working Days (**WDs**) notice of a RA determination of a particular parameter. BGE identifies these areas across the Code and requests their rectification as 5 WD notice for any parameter is unacceptable;
 - d. BGE has made a number of suggestions regarding the timelines of publication of data critical to enable market participants determine in real time the supply/ demand state of the market and system. Such data is necessary to maximise market trading opportunities and importantly to enable gauging of potential ASP situations arising and includes for e.g. publication of final physical notifications (**FPNs**) on a 30 minute basis;
 - e. BGE has also made a number of requests to better facilitate day-to-day operations and reduce administrative and financial burdens including for example: receipt of credit cover warnings by email; calculation of credit cover requirements twice daily to reduce credit cover burden; leaving onus of proving a credit cover provider bank's credit rating with the market operator; improving timelines within which offer data becomes 'standing' offer data; consideration of capacity market rule impacts in Code modifications; receipt of settlement calendar updates by file upload format; and improved versioning of settlement statements/ reports/ documents such that the relevant version as applicable at any one time, is clearly discernable.

BGE would also welcome confirmation that parameters that are to be determined from time to time as referenced in the Code will be open to public consultation and that sufficient reasonable notice of changes thereto will be given to market participants?

Finally, with regard to the publication of specific information necessary to make informed decisions and support the efficient functioning of the BM, BGE would welcome confirmation that wind forecasts will be published on a rolling basis, if not by the market operator then by the TSO? We request also more regular updates on rolling generator outages than on a daily basis – we propose publishing “periodically” as such information changes. Furthermore, the RWG in September 2016 referenced that constraints, operating reserve and capacity shortfall updates would be considered through existing TSO publications and market messages – we would welcome information as to when this will come into effect?

The above provides a high level synopsis of our main concerns in relation to this Code as currently drafted. Additional detail and rationale regarding all of our concerns as well as proposed legal drafting amendments to address these concerns are included in the Appendix 1 attached. We urge the RAs to take into consideration all of the suggested changes before final codification of provisions. We hope that you find the above helpful together with the comments and suggestions outlined in our response attached hereto.

Please do not hesitate to contact me should you have any queries on any of the above or the attached.

Yours faithfully,

Julie-Anne Hannon

{By email}

App. (1)

APPENDIX 1 - BORD GÁIS ENERGY COMMENTS TO CONSULTATION SEM-16-075
SUMMARY INFORMATION

Respondent's Name	Bord Gáis Energy Limited
Type of Stakeholder	Generator in the Irish all-island electricity market and an electricity and gas supplier in the Republic of Ireland electricity and gas retail markets
Contact name (for any queries)	Julie-Anne Hannon
Contact Email Address	jhannon@bordgais.ie
Contact Telephone Number	01 2335302

I-SEM TSC COMMENTS

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
Main part/ Body of Draft ISEM Trading and Settlement Code - BGE comments					
1	A.1.1.1	Introduction	Typo – “pursuant to” is repeated	Please delete “pursuant to” on line 2	
2	A.1.1.3	Introduction	Paragraph may be misconstrued as deeming this Code applicable to all SEM trading timeframes	Please replace “market” on line 3 with “wholesale electricity Balancing Market”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
3	B.7.6.3	Legal and Governance: Additional Rules for Participant Registration	<p>The current Code states that the MO “must” inform the party of whether more information or clarification is required to complete the Participation Notice.</p> <p>Changing the obligation by stating the MO now “may” inform the party of such is misleading in terms of the MO’s obligation. It should be clear that the MO, if applicable, will always tell the Party what further information (if that is the case) is necessary to complete the Notice within the time allowed.</p>	Please change “may” on line 2 to “must where applicable”	
4	B.10.2.1	Legal and Governance: Interconnector Residual Capacity Unit and SO Interconnector Trades	BGE requests confirmation that market participants will be informed of the price and quantity of any SO-SO trading that occurs as soon as possible after the trade	Please see confirmation requested in commentary /explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
5	B.17.2.1 (b)	Legal and Governance: Functions of the Modifications Committee	The requirement for the MO to consult the Mods Committee is in paragraph G.2.7.9	Please change "G.2.7.8" to "G.2.7.9"	
6	B.17.18.3 (f)	Legal and Governance: Final Modification Recommendation and Report	Typo	Please add "of" after "a copy"	
7	B.17.18.3(g)	Legal and Governance: Final Modification Recommendation and Report	Typo	Please add ")" at end of paragraph	
8	B.18.3.1 (o)	Legal and Governance: Suspension	It is good process that suspension from the Balancing Market is only triggered where a Party is evidently in breach of this Code, and not for e.g. in circumstances where it has been suspended pursuant to day ahead and/ or intraday market (DAM/ IDM) or capacity market rules. It should be noted that credit cover provisions under this Code largely protect against the effect of a breach in DAM/ IDM causing a default or significant bad debt in the Balancing Market. Instead of automatic suspension occurring as outlined, a transparent firm set of rules/ hurdles should apply before suspension from the DAM/ IDM / capacity transfers to the BM. There are a number of ways to address this which BGE is happy to discuss further. Please consider adding at the end of subparagraph (o), the following wording: "and has failed to pass the requirements (determined by the Regulatory Authorities) necessary to maintain participation in the Balancing Market in these circumstances."		

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
9	B.18.6.1 (d)	Legal and Governance: Termination and Deregistration	<p>It is good process that termination from the Balancing Market is only triggered where a Party is evidently in breach of this Balancing Market Code, and not for e.g. in circumstances where it has been terminated pursuant to day ahead and/ or intraday market (DAM/ IDM) or capacity market rules. It should be noted that credit cover provisions under this Code largely protect against the effect of a breach in DAM/ IDM causing a default or significant bad debt in the Balancing Market. Instead of automatic termination occurring in the way outlined, a transparent firm set of rules/ hurdles should apply before termination from the DAM/ IDM / capacity market transfers to the BM. There are a number of ways to address this which BGE is happy to discuss further.</p> <p>Please consider adding at the end of subparagraph (d), the following wording: “and has failed to pass the requirements (determined by the Regulatory Authorities) necessary to maintain participation in the Balancing Market in these circumstances.”</p>		
10	B.19.3.1	Legal and Governance: General Dispute Provisions	<p>BGE would welcome confirmation that the Price Materiality Threshold is a parameter to be consulted on as and when it is considered and that market participants shall be given reasonable notice of proposed thresholds and their application?</p>	<p>(i) Please provide confirmation sought on consultation and also (ii) add “, at least two months before such Threshold shall come into force” at the end of paragraphs (a) and (b)</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
11	B.19.4.1	Legal and Governance: Pricing Disputes	<p>It is unclear at what point a Pricing Dispute should be referred to the Dispute Resolution Board (DRB). Pursuant to B.19.1.3 (a) and B.19.2.2, a party must raise a Notice of Dispute and use reasonable endeavours to resolve the dispute, within 5WD of the price being published. Per B.19.4.1, within that 5WD, if it hasn't been resolved or if the MO hasn't determined a manifest error, <u>a referral to DRB within 5WD of the Notice of Dispute or sooner is required.</u></p> <p>However, sections B.19.6.1 and B.19.6.2 imply that referral to a DRB need only occur within 40WD from the Notice of Dispute?</p>	<p>Please see commentary/ explanation on this section. Clarity is required as to whether a Pricing Dispute is to be referred to a DRB within 5WD of the Notice of Dispute, or within 40WD of the Notice of Dispute. Consider whether B.19.6.1 should be drafted "without prejudice to" as opposed to "notwithstanding" sections B.19.2, B.19.4?</p>	<ul style="list-style-type: none"> • B.19.6.1 • B.19.6.2 • Agreed Procedure 14 ('Disputes') section 3.1 on 'raising a dispute'.

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
12	C.7.4.1	Data and Information Systems: Updating Publications	Reference is made here to Agreed procedure 6 (AP6) regarding publication of updated data prior to its use in any MO calculation. AP6, section 2.4.3 then states that where a rerun of an event results in the MO recreating the Data Report, the original Data Report will be overwritten. In case of potential disputes after a rerun, and for simplicity in determining what report applies at any one time, it would be preferable that such data is published as a next "Version" , leaving the original version intact.	In AP6, section 2.4.3 consider replacing "will be overwritten" in line 4 with "will remain as the original version, and marked "initial" and each recreated Data Report will be a numerical version of the original."	<ul style="list-style-type: none"> • AP6, section 2.4.3

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
13	C.7.8.1	Data and Information Systems: REMIT Data	To avoid ambiguity as to what data is being reported, it should be clarified that Balancing Market data only is applicable to this Code as opposed to any DAM/ IDM data	Please replace “report REMIT Data” on line 1 with “report Balancing Market related REMIT Data”	
14	D.4.1.1 & D.4.1.2	Balancing Market Data Submission: Setting of Commercial Offer Data Parameters	PCAP and PFLOOR are to be determined from ‘time to time’. For certainty and price stability purposes such parameters should not be reviewed more than once annually.	Consider adding “but no more than once annually” at the end of the paragraph	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
15	D.4.1.2	Balancing Market Data Submission: Setting of Commercial Offer Data Parameters	This provides that PCAP, PFLOOR parameters may be published the later of 5 WD of receipt of the RAs' determination thereof or 4 months before the start of the period to which they apply. The potential of only 5 WD notice of such parameters and their application is unacceptable and should be avoided for investor certainty reasons.	Please replace "whichever is the later" with "whichever is the earlier"	
16	D.4.4.11	Balancing Market Data Submission: Incremental and Decremental Price Quantity Pairs	It is unclear as to what type of unit this paragraph refers to. Please clarify what type of Generator unit is "Dispatchable, has Priority Dispatch and has zero marginal costs" and must ensure the relevant price here is "zero"?	Please provide the clarity sought in the commentary/ explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
17	E.1.1.2 (c)	Imbalance Pricing – Purpose of this Chapter	The term "Operational" is unclear in terms of what it refers to. It may be assumed it means "Operational Constraint Limitations" but this should be explicit	Please replace "Operational" on line 1 with "Operational Constraint Limitations"	
18	E.2.1	Imbalance Pricing - Timing, Inputs & Pre processing	(i) Parameters that are determined from 'time to time' should be determined no more than once annually for price certainty and stability reasons. (ii) Please also confirm they will be consulted on and reasonable notice of their application is given	(i) Consider adding "but no more than once annually" after from "time to time" (ii) Please confirm – see commentary/ explanation on this section	
19	E.3.8.1	Imbalance Pricing – Changes to Published Imbalance Prices	Once the MO corrects a price, it should immediately publish the correction. An explicit limitation on when the publication should occur is preferable	Please replace "as soon as possible" on line 4 with "as soon as possible but at least within 1 WD of the correction"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
20	E.3.8.2	Imbalance Pricing – Changes to Published Imbalance Prices	Once the MO corrects a price, it should immediately publish the correction. An explicit limitation on when the publication should occur is preferable	Please replace “as soon as possible” on line 5 with “as soon as possible but at least within 1 WD of the correction”	
21	E.4.1.1	Imbalance Pricing: Administered Scarcity Pricing – Parameter Setting and Variables	(i) The Full Administered Scarcity price should not be open for review more than once annually for informed capacity market bidding and price stability reasons. (ii) The possibility of only 5WD notice of application of the FASP parameter must be avoided; at least 4 months notice ahead of the Capacity Auction in question is required to enable informed bidding to occur (enabling for example the cost of the RO being called to be assessed)	(i) Consider adding “but no more than once annually” after “from time to time” (ii) Replace "before the start of the Year" on line 4 with "before the start of the relevant Capacity Auction" and replace "whichever is later" on line 5 with "whichever is earlier"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
22	E.4.3.1	Imbalance Pricing: Administered Scarcity Pricing – Determination of the Reserve Scarcity Price Curve	The wording of the calculation of the ASP curve here implies that Option B in the CRM parameters consultation (SEM-16-073) is the chosen curve format. Please confirm that the final wording will be reviewed in light of the outcome of said consultation. This implication should be avoided	Consider replacing the paragraph (deleting the wording that has been struck through below) with "At the request of the Regulatory Authorities, the Market Operator shall prepare and submit to the Regulatory Authorities for approval a proposed Reserve Scarcity Price Curve based on a function of the product of Full Administered Scarcity Price (PFAS), and the Loss of Load Probability (LOLP) and as a function of the Short Term Reserve Quantity" in order to retain the flexibility referred to in the commentary/ explanation	
23	E.4.3.4	Imbalance Pricing: Administered Scarcity Pricing – Determination of the Reserve Scarcity Price Curve	Sufficient notice of the Curve before the relevant capacity auction is critical for informed capacity market bidding (it for example enables a party to calculate the likelihood of the strike price being breached and therefore the risk of the RO being called)	Replace "no later than two months before the approved value(s) shall come into effect" on lines 2-3 with "no later than three months before the relevant Capacity Auction"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
24	E.4.5.1	Imbalance Pricing: Administered Scarcity Pricing (ASP) – Determination of Demand Control Quantities	<p>ASP should only apply in scarcity situations which have a system wide impact and where a unit in either jurisdiction (NI or ROI) could mitigate the impact.</p> <p>The I-SEM is an all island market and the Reliability Option (RO) mechanism, is a market wide all island capacity mechanism with system wide benefits and should be operated as such. It is arbitrary to allow jurisdiction specific voltage issues which cannot be resolved by a capacity unit in the other jurisdiction to be part of the drivers for an ASP period.</p>	Suggest deletion of (sub paragraphs (i) and (ii) which relate to jurisdiction specific system voltage issues (which are local by nature with no system wide effect) given the inability of parties in the other jurisdiction to resolve these issues	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
25	E.5.1.3	Imbalance Pricing: Market Back Up Price (MBP)	<p>Where information is not available to the MO for the purposes of calculating the Market Back Up Price, market participants should not be impacted financially due to issues outside their control. Prices can differ radically from ISP to ISP and BGE believes that two different approaches to handling the setting of the MBP is required depending on the scenario.</p> <p>Please consider drafting changes to E.5.1.3 to reflect the following considerations:</p> <p>(i) when MBP is being calculated for use as the imbalance price, re-pricing and re-settlement should occur once the correct data (under E.5.1.1) is available to the MO</p> <p>(ii) If a MBP is being calculated for the purposes of Administered Imbalance Settlement, re-settlement should occur once the correct data (under E.5.1.1) is available to the MO. If re-settlement does not so occur, consider allowing a minimum of 2 WD before an MBP is calculated on the basis of the most recent Imbalance Settlement Period values as referenced in E.5.1.3 (by which stage it is anticipated that the correct data referred to in section E.5.1.1 will be available).</p> <p>BGE would however welcome the RAs' view as to how often and when the situation may arise where Day ahead/ Intraday quantities and prices required for calculating the MBP will not be available and resort to using values from the most recent ISP is required?</p>		

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
26	E.6.1.3	Imbalance Pricing: Curtailment Price	Where information is not available to the MO for the purposes of calculating the Curtailment Price, to avoid market participants being impacted financially (given the potential large disparities in values that can occur from ISP to ISP), due to issues outside their control, re-pricing and re-settlement should occur once the correct data (under E.6.1.1) becomes available,.	Consider adding the following: “When the values pursuant to paragraph E.6.1.1 become available to the Market Operator, re-pricing and re-settlement for affected Generator Units shall occur.”, After the words: “shall use values from the most recent Imbalance Settlement Period for which those quantities are available.”	
27	F.2.2.1	Calculation of Payments and Charges: Data Sources, Conventions and Definitions – Ex Ante Market Data	Please confirm that market participants can act as a "scheduling agent" on their own behalf? Please also clarify what processes or information are required of market participants (if any) to carry out this role, that are different from under the current rules?	Please provide confirmation sought in commentary/ explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
28	F.2.2.5	Calculation of Payments and Charges: F.2.2.5 Ex Ante Market Data	Market participants should not be financially impacted due to failure in transfer of data from the SO to the MO. In such situations resettling and repricing should occur. Otherwise, market participants could be open to significant imbalance exposures over which they have no control.	Consider adding the following wording: “On receipt of the submission under paragraph F.2.2.1, repricing and resettlement shall occur for affected Participant Units.”, After “...shall be deemed to be zero.”	
29	F.2.4.1	Calculation of Payments and Charges: Data Sources, Conventions and Definitions – Dispatch Data	This paragraph could read as if the SO has discretion as to whether or not Ramp Rate and curtailment flags will be submitted to the MO where applicable – ambiguity should be removed for settlement purposes	Please replace “may submit an associated Ramp Rate and curtailment flag for each Dispatch Instruction” with “ <u>shall where applicable</u> submit an associated Ramp Rate and curtailment flag for each Dispatch Instruction”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
30	F.2.7.2	Calculation of Payments and Charges: Data Sources, Conventions and Definitions – Capacity Market Data	A failure in transfer of data from the SO to the MO for settlement calculations should not impact parties particularly as it is outside market participants' control. In such situations resettling and repricing should occur.	Suggest that to reflect the need for settlement calculations to use correct value inputs, that the following line is added to the end of the paragraph: "On receipt of the relevant values of the Demand Side Non-Delivery Percentage from the System Operators, repricing and resettlement shall occur for affected Capacity Market Units."	
31	F.4.2.1	Calculation of Payments and Charges: Trading Boundary and Treatment of Losses – Setting of Loss Adjustment Factors	Loss adjustment factors related to interconnectors must be set transparently and be subject to RA review and approval for market confidence reasons	Please add "for approval" at the end of "submit to the Regulatory Authorities" at the end of line 2	F.4.2.2
32	F.4.2.5	Calculation of Payments and Charges: Trading Boundary and Treatment of Losses – Setting of Loss Adjustment Factors	The potential for only 5 WDs notice of the application of loss factors being provided to market participants must be avoided for forecasting and price stability reasons	Please change "whichever is later" on line 2 to "whichever is earlier"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
33	F.4.2.6	Calculation of Payments and Charges: Trading Boundary and Treatment of Losses – Setting of Loss Adjustment Factors	The potential for only 5 WDs notice of the application of loss factors being provided to market participants must be avoided for forecasting and price stability reasons	Please change “whichever is later” on line 2 to “whichever is earlier”	
34	F.5.1.3	Calculation of Payments and Charges: Imbalance Component Payments and Charges – Setting of Imbalance Payment or Charge Parameters	Any change to the duration of the Aggregated Settlement Period cannot come into effect until at least 6 months from the RAs’ determination on this. BGE seeks the same timeline for application of any change to the Imbalance Weighting Factor for predictability, price certainty and system change requirement reasons	Please add “(which date and time must not be earlier than six Months from the date of the determination)” at the end of the paragraph.	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
35	F.5.2.2	Calculation of Payments and Charges: Imbalance Component Payments and Charges: Calculation of Ex Ante Quantities	<p>BGE understands that the QEX calculation in F.5.2.2 will be implemented for ISEM go-live and that the QEX calculation in F.5.2.7 will not. BGE however strongly supports the functionality of the Imbalance Weighting Factor in F.5.2.7 which would provide beneficial commercial flexibility to suppliers and generators to maintain in balance positions and would benefit IDM liquidity, with potential positive impacts for consumers. The functionality of the F.5.2.7 QEX calculation has however possible negative repercussions - for e.g. when calculating Premium/ Discount components for Bias volumes (F.6.7). Presently, BGE does not see how such repercussions can be resolved without affecting the core imbalance equation but urges the RAs to consider the benefits of F.5.2.7 when deciding on when it should come into force. The potential negative repercussions of the use of the QEX calculation from F.5.2.7 in calculating other settlement components must however be resolved before F.5.2.7 comes into force.</p> <p>Please confirm the above application status of F.5.2.2 and F.5.2.7?</p> <p>BGE requests further information on the anticipated timeline for consideration of the application of F.5.2.7 as soon as possible; and confirmation that the resolution of the above noted issues will occur in consultation with market participants before F.5.2.7 will come into effect?</p>		F.5.2.7 F.6.2 F.6.7 F.6.8.2
36	F.5.2.7 (vii)	Calculation of Payments and Charges: Imbalance Component Payments and Charges – Calculation of Ex Ante Quantities	Appears to be a typo in equation list of explanations – paragraph (vii) it seems should relate to Day-ahead Trade Quantity in the Day ahead Trading Period, not Intraday quantities	Replace paragraph with “ $qTDA_{xh}$ is the Day-ahead Trade Quantity for Trade, x, for Supplier Unit, v, or Generator Unit, u, in the Day-ahead Trading Period, h, relevant to Trade x;”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
37	F.5.2.10	Calculation of Payments and Charges: Imbalance Component Payments and Charges – Calculation of Ex Ante Quantities	Clarification is sought as to the intention of this paragraph. It seems to treat an Assetless Unit as both a supplier and generator? Also “u” is being used to refer to both a Generator and an Assetless Unit - please clarify the correct equation and related explanations before codification.	Please see clarity sought as per commentary/ explanation on this paragraph	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
38	F.6.4.2	Calculation of Payments and Charges: Premium and Discount Component Quantities and Payments – Calculation of Trade in the Opposite Direction to the TSO Quantities	(i) Where the RAs notify the MO of the requirement to calculate quantities of accepted bids/ offers for trades Opposite TSO acceptances, market participants should be simultaneously made aware of such a requirement given the potential system and market impacts thereof (ii) Please confirm when the RAs might expect such notice noted in (i) above may be given in future?	(i) Add “The Regulatory Authorities shall give notice to Market Participants of such a requirement, simultaneously when notifying the Market Operator.” at the end of the paragraph (ii) Please see confirmation sought in commentary/ explanation	
39	F.6.4.3	Calculation of Payments and Charges: Premium and Discount Component Quantities and Payments – Calculation of Trade in the Opposite Direction to the TSO Quantities	Typo	Please change reference from "F.6.4.1" to "F.6.4.2"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
40	F.6.4.4	Calculation of Payments and Charges: Premium and Discount Component Quantities and Payments – Calculation of Trade in the Opposite Direction to the TSO Quantities	Typo	Please change reference from "F.6.4.1" to "F.6.4.2"	
41	F.6.4.4 (b)	Calculation of Payments and Charges: Premium and Discount Component Quantities and Payments – Calculation of Trade in the Opposite Direction to the TSO Quantities	Typo	Insert a single blank space in place of the "["	
42	F.6.4.5	Calculation of Payments and Charges: Premium and Discount Component Quantities and Payments – Calculation of Trade in the Opposite Direction to the TSO Quantities	Typo	Please change reference from "F.6.4.1" to "F.6.4.2"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
43	F.9.1.4	Calculation of Payments and Charges: Uninstructed Imbalance Quantities and Charges – Setting of Uninstructed Imbalance Parameters	Market Participants need at least 2 months notice of these parameters before their application for risk assessment and price stability reasons. 5WD notice is an unacceptable potential notice period	Please replace “whichever is the later” in line 4 with “whichever is the earlier”	
44	F.9.1.5	Calculation of Payments and Charges: Uninstructed Imbalance Quantities and Charges – Setting of Uninstructed Imbalance Parameters	Market Participants need at least 2 months notice of these parameters before their application for for risk assessment and price stability reasons. 5WD notice is an unacceptable potential notice period	Please replace “whichever is the later” in line 4 with “whichever is the earlier”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
45	F.9.2.4	Calculation of Payments and Charges: Uninstructed Imbalance Quantities and Charges – Calculation of Uninstructed Imbalance Tolerance Quantities	Market participants are best placed to assess the impacts of these proposed tolerances. Please confirm the TOLENG (Engineering Tolerance) and TOLMW (MW Tolerance) will be consulted on and notice to participants of final values are published at least 3 months ahead of the time period to which they apply given potential impact of such changes.	Please confirm as per commentary/ explanation	Appendix E, page 20
46	F.9.2.5	Calculation of Payments and Charges: Uninstructed Imbalance Quantities and Charges – Calculation of Uninstructed Imbalance Tolerance Quantities	Please confirm that the System per Unit Regulation parameter will be consulted on and notice to participants of final values are published at least 3 months ahead of the time period to which they apply. Market participants are best placed to assess the impacts of such	Please confirm as per commentary/ explanation	Appendix E, page 20

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
47	F.10.1.4	Calculation of Payments and Charges: Information Imbalance Quantities and Charges – Setting of Information Imbalance Parameters	The potential for only 5WD notice of such parameters must be eliminated given potential system impacts. At least 2 months notice is necessary	Replace “whichever is the later” on line 4 with “whichever is the earlier”	
48	F.10.1.5	Calculation of Payments and Charges: Information Imbalance Quantities and Charges – Setting of Information Imbalance Parameters	The potential for only 5WD notice of such parameters must be eliminated. At least 2 months notice is necessary	Replace “whichever is the later” on line 4 with “whichever is the earlier”	
49	F.11.4.2 (a)	Calculation of Payments and Charges: Fixed Costs Payments and Charges – Calculation of Fixed Costs Payments and Charges	Appears to be a typo	Consider changing “ $\sum_{y \in k}$ ” to “ $\sum_{y \in k}$ ”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
50	F.12.1.3	Calculation of Payments and Charges: Imperfections Charges – Setting of Imperfections Charges Parameters	At least 2 months notice of these parameters before the time period to which they apply is necessary for price certainty reasons. The potential for only 5WD notice must be removed given that customers must be notified of tariff changes at least 30 days before their application	Replace “whichever is the later” in line 3 with “whichever is the earlier”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
51	F.12.1.4	Calculation of Payments and Charges: Imperfections Charges – Setting of Imperfections Charges Parameters	BGE believes that the option to change Imperfections Charges throughout a year is unacceptable for customers whose Suppliers estimate tariffs year ahead and must give at least 30 days notice of tariffs. Consideration must be given to the potential uncertainty this could introduce. BGE considers the current K-factor approach suitable for any changes that need to be made and urges continuation of the current k-factor approach for certainty and tariff stability reasons	Please delete paragraphs 12.1.4-5	F.12.1.5
52	F.13.1.2	Calculation of Payments and Charges: Testing Charges	Tariffs should be made available to market participants at least two months before the start of the year; the potential for only 5WD notice of these must be avoided.	Please replace "whichever is the later" on line 3 with "whichever is the earlier"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
53	F.13.1.3	Calculation of Payments and Charges: Testing Charges	Tariffs should be made available to market participants at least two months before the start of the year; the potential for only 5WD notice of these must be avoided.	Please replace "whichever is the later" on line 3 with "whichever is the earlier"	
54	F.13.1.4	Calculation of Payments and Charges: Testing Charges	(i) Charges should not be permitted to be changed more than once annually from an investor certainty perspective. At least 2 months notice of any change is necessary. (ii) Please confirm that consultation with market participants as occurs currently, will apply?	Consider: (i) Replace first line with "The relevant System Operator may update the Testing Tariffs <i>once</i> within the Year to which...". Add "At least two months notice of any Testing Tariff update within a Year shall be given to market participants" at the end of the paragraph (ii) Please provide the confirmation sought as per commentary/ explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
55	F.14.2.4	Calculation of Payments and Charges: Residual Error volume charges – Setting Residual Error Volume Charges Parameters	At least 2 months notice to the market of these parameters should be given considering the RAs will determine it at least 4 months before the Year in question. The potential for 5WD notice should be removed	Please replace "whichever is the later" on line 3 with "whichever is the earlier"	
56	F.15.2.3	Calculation of Payments and Charges: Currency Adjustment Charges – Setting Currency Adjustment Charge Parameters	The potential for only 5WD notice of such parameters in unacceptable from a tariff notice perspective; at least two months notice or more is necessary	Please replace "whichever is the later" on line 3 with "whichever is the earlier"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
57	F.15.2.4	Calculation of Payments and Charges: Currency Adjustment Charges - Setting Currency Adjustment Charge Parameters	Currency charges should not be permitted to be changed more than once annually from an investor certainty and forecasting perspective. At least 2 months notice of any change is necessary considering tariff change notice requirements for e.g.	<p>Consider replacing line 2 “... make additional interim reports to the Regulatory Authorities during the Year,” with “... make an additional interim report to the Regulatory Authorities during the Year,”.</p> <p>Add “At least two months notice of any Currency Adjustment Charge update within a Year shall be given to market participants” at the end of the paragraph</p>	
58	F.16.1.4	Calculation of Payments and Charges: Strike Price – Setting of Strike Price Parameters	<p>(i) BGE understands, but would welcome confirmation, that these parameters will be consulted upon with industry</p> <p>(ii) Market participants need reasonable notice of these parameters ahead of relevant capacity auctions to enable informed bidding</p>	<p>(i) Please confirm as per the commentary/ explanation section</p> <p>(ii) Insert “At least 3 months notice of the application of an approved value, data sources or methodology for a parameter referred to in paragraph F.16.1.1 before each relevant Capacity Auction shall be given to market participants.” at the end of the paragraph</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
59	F.16.1.6	Calculation of Payments and Charges: Strike Price – Setting of Strike Price Parameters	(i) BGE understands, but would welcome confirmation, that these parameters will be consulted upon with industry (ii) Market participants need reasonable notice of these parameters ahead of relevant capacity auctions to enable informed bidding	(i) Please confirm as per the commentary/ explanation section (ii) Insert “At least 3 months notice of the application of the approved value of, or methodology for a parameter referred to in paragraph F.16.1.5 before each relevant Capacity Auction shall be given to market participants.” at the end of the paragraph	
60	F.18.1.2	Calculation of Payments and Charges: Difference Charges – Setting of Difference Charge Parameters	Sufficient notice of difference charge parameters before a capacity auction is required for informed bidding purposes. A potential 5WD notice period is unacceptable	Please replace “... or two months before...” with “...or three months before...” and Replace "whichever is the later" on line 4 with "whichever is the earlier"	
61	F.18.2.1 (e)	Calculation of Payments and Charges: Calculation of Obligated Capacity Quantities	Please confirm whether the Contract Register Entry is also a de-rated entity	Confirmation sought per commentary/ explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
62			<p>F.18.4.2 and F.18.5.2 deal with calculation of day-ahead and intraday difference quantities respectively. The use of QEX in these equations implies that capacity providers could trade out of RO obligations between the DAM and IDM. In effect, were a scarcity event to occur in the DAM, an RO difference payment by the capacity provider would not have to be made despite a capacity provider having traded in the DAM due to trading down (and thus reducing its DAM RO exposure) in the IDM.</p> <p>BGE disagrees with the use of the QEX calculation as it is applied here for a number of reasons:</p>		<p>F.5.2.2 F.5.2.7 F.18.5.2 F.20</p>
	F.18.4.2	<p>Calculation of Payments and Charges: Difference Charges: Calculation of Day-Ahead Difference Quantities and Charges</p>	<p>i) Firstly, it is not in line with the detailed design decisions on the calculation of capacity market difference payments. In particular, in capacity market Decision 1 (SEM-15-103), the chosen Market Reference Price (MRP) for the Reliability Options was option 4b - the split market option as presented in the consultation paper SEM-15-044. SEM-15-103 (para 335, page 60) described the effect of the chosen MRP: ““Under this option 4b (split market price option) capacity providers’ Reliability Options will be settled on:</p> <ul style="list-style-type: none"> —Volumes sold in the DAM at the DAM reference price; —Volumes sold in intra-day markets at the intra-day MRP(s); and —Any remaining Reliability Option volume at the BM reference price.” <p>SEM-15-103 (para 336, page 60) further noted that “The same split market RO settlement will apply to Suppliers, with volumes bought in the DAM settled with reference to the DAM price, volumes bought in the IDM settled with reference to the IDM price(s) and BM volumes settled with reference to energy imbalance prices.”</p> <p>Capacity market Decision 2 (SEM-16-022) makes similar references (pages 22-24) to how capacity providers’ ROs will be settled under the split option.</p> <p>The algebraic approach to calculating QEX for capacity difference payments as presented in the draft Code is contrary to these Regulatory design decision, and is in BGE’s view a major departure in interpretation from the intent of those decisions. BGE requests that the detailed design decisions are adhered to from a process perspective and for the following enumerated reasons.</p>		

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
			<p>(ii) Secondly, BGE believes that where a party trades in both the DAM and IDM and receives payment for such trades, it is logical and fair that RO obligation paybacks should be made against such receipts. BGE does not consider this a case of “double exposure” given that based on the received payments the party should have the relevant funds to make the RO paybacks required. If the scenario arises that scarcity does happen in both the DAM and IDM, it is in line with the RAs’ detailed design decisions that paybacks in accordance with both markets’ respective prices must be made.</p>		
			<p>(iii) Thirdly and critically, it undermines the protection of the RO for suppliers and their customers. The risk to suppliers of an increase in the hole in the hedge is dramatically increased. The Socialisation fund will as a result be increasingly relied on which adds further costs to suppliers and their customers. Further, the ability of parties to forecast potential exposures ahead of capacity auctions is made much more difficult. The consequential risk of unanticipated increases in consumer costs is considerably heightened.</p>		
			<p>In conclusion, the use of QEX in F.18.4.2 is inappropriate. QEX should only apply for calculations of non-performance difference quantities for BM settlement (F.18.6). For capacity payments difference quantities and charges, the relevant ex ante quantities and prices that should apply are the absolute volumes and prices in the respective DAM, IDM, BM (TSO instructed QBOAs in BM). The calculation of QDIFFTRACK (F.18.5.7) is still required but only for use in the non-performance difference charges calculation.</p> <p>BGE urges further consideration of this pertinent issue by the RAs before final codification of these calculations occur.</p>		

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
63	F.18.6.3	Calculation of Payments and Charges: Difference Charges: Calculation of Non Performance Difference Charges	With regard to the escalation issue being considered regarding the treatment of parties providing reserve and their exposure to non performance difference charges during the time of a scarcity event, BGE reviewed the relevant proposed algebra from the RWG held on 15 th December 2016. BGE supports the proposal outlined therein subject to the implementation of both the “Available Reserve Quantity from Ramp Rates” and “Based on whether Offer Price in Merit” approaches (slide 67). This should help ensure only those technically capable and competitive overall in the market will avail of this exemption.		
64	F.19.1.2	Calculation of Payments and Charges: Capacity Charges – Setting Capacity Charge Parameters	The number of months before the Capacity Year by which the MO shall report on these parameters to the RAs should be as soon as possible after the relevant Capacity Auction has taken place and give reasonable notice to market participants from a tariff notification perspective	Consider that the value of “X” in “[X months]” should be at least within 1 month of the relevant Capacity Auction and at least 2 months before the start of the Year in question from a tariff notification perspective	F.19.1.4 and F.19.1.5 relate
65	F.19.1.4	Calculation of Payments and Charges: Capacity Charges – Setting Capacity Charge Parameters	The potential for only 5 WDs notice of these parameters is unacceptable from a tariff calculation and notification perspective. the minimum notice required is at least 2 months	Please replace last 2 lines of paragraph with “...approval or 2 months before the start of the Capacity Year to which they shall apply, whichever is the earlier”	F.19.1.5 relates

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
66	F.19.1.6	Calculation of Payments and Charges: Capacity Charges – Setting Capacity Charge Parameters	Changes in capacity charge parameters within year should not be permitted for price stability and tariff notice reasons. Adjustments in subsequent capacity years for under recovery should suffice. (As noted above for other notice provisions in the Code any reference to a potential 5WD notice of application of a parameter is also unacceptable)	Please delete both paragraphs F.19.1.6-7	F.19.1.7
67	F.19.1.9	Calculation of Payments and Charges: Capacity Charges – Setting Capacity Charge Parameters	In view of paragraph F.19.1.8 which requires the RAs to determine the time periods for the charge base at least 6 months before the start of the Capacity Year, the value of "[X months]" here should be at least 6 months	"[X months]" here should be <u>at least 6 months</u>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
68	F.19.1.10	Calculation of Payments and Charges: Capacity Charges – Setting Capacity Charge Parameters	The notice of the approved periods forming the charge base should be at least 6 months and not allow potential for 5WD notice	Replace "whichever is the later" on line 4 with "whichever is the earlier"	
69	G.1.4.5	Financial and Settlement – Introduction: Banking Arrangements	Typo	Replace “part the amounts” on line 3 with “part of the amounts”	
70	G.1.6.6 (c)	Financial and Settlement – Introduction: Establishment of Trusts	Typo	Delete “of” in line 4	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
71	G.2.4.1	Financial and Settlement – Description of Timelines: Settlement Calendar	BGE requests that an automated Settlement Calendar (to include any changes published throughout the year) be sent by file upload to parties’ systems, similarly to how daily settlement reports upload. This would greatly alleviate the current administrative burden of regular time consuming manual system updates by market participants to incorporate Settlement Calendar Updates	Please add the underlined “... four months prior to the start of the Year <u>and periodically as required, on an automated basis,</u> a Settlement Calendar...” to reflect the need for automated file updates of the Settlement Calendar reflecting updates as they occur, as outlined in the commentary / explanation	
72	G.2.5.2 (a)	Financial and Settlement – Description of Timelines: Settlement Documents	BGE requests that indicative Settlement Statements for Capacity Payments and Charges are published earlier than noted in this paragraph, as it would greatly assist month end obligations	Please consider replacing “...by 17:00 on Capacity period + 3 WD;...” with “by 17:00 on Capacity period + 2 WD;” (or less where possible)	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
73	G.2.7.9	Financial and Settlement – Shortfalls and Unsecured Bad Debt	The MO should have an obligation to take into account the Modifications Committee view on pursuing bad debt. The wording here has been softened compared to the existing Code and should be changed back to the original wording of the existing Code	Please change “shall have regard to” on lines 2 and 3 to “shall take into account”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
74	G.9.1.2	Financial and Settlement – Credit Cover Obligations	<p>This section states that the MO shall “calculate the Required Credit Cover for each Participant at least once every Working Day...”. To minimise the amount of required credit cover that needs to be posted by participants and reduce the cost of market participation, BGE advocates for the running of the credit cover check twice daily: once in the morning to determine the position after the previous day's trading, and again in the afternoon to capture invoices paid (as they are due by 12:00). As a participant has 48 hours to increase the amount of credit cover posted after a warning has been received, BGE believes that twice daily credit cover runs is most appropriate.</p>	<p>Consider changing the relevant wording in line with the commentary/ explanation to “...shall calculate the Required Credit Cover for each Participant at least twice every Working Day...”.</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
75	G.9.1.4	Financial and Settlement – Credit Cover Obligations	<p>CCPs must have sufficient credit worthiness such that the exposure to risk of a participant failing in SEM is minimised.</p> <p>The code provision to accept a minimum credit rating for a Credit Cover Provider (CCP) of BB- was introduced at the time when Irish banks were nationalised and their liabilities guaranteed by the state. The economic circumstances have now changed and the state guarantee has fallen away. According to mainstream credit rating agencies, the prospect of extraordinary government support for Irish banks is now uncertain in view of the country's well-advanced and effective resolution regime. Entities rated BB-/Ba3 are judged to have speculative elements and are subject to substantial credit risk, thus ideally the appropriate minimum credit rating level for a CCP is investment grade (BBB-/Baa1 or above). Notably, most Irish banks have returned to investment grade status. However, if the minimum credit rating of BB-/Ba3 is to be maintained, it should only apply to banks that that are in majority state ownership. In our view this would better safeguard fellow market participants in the event of failure by any one participant while not inhibiting the competitiveness of players in the market.</p> <p>Proposals to drafting:</p>	<p>Propose that G.9.1.4 (b) (i) (B) reads as follows (preferred option): “with a long term debt rating of Investment-grade BBB- (Standard & Poors) or Baa3 (Moody’s); or”</p> <p>Propose a G.9.1.4 (b)(i) (C) as follows: “with a long term debt rating of not less than BB- (Standard & Poors) or Ba3 (Moody’s Investors Service Inc.) and have a Balance Sheet Net Asset Value of not less than €1,000 million and that is in majority state ownership of the government of Ireland or of the government of the United Kingdom”.</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
76	G.9.1.12(d)	Financial and Settlement – Credit Cover Obligations	Typo	Please replace "without prejudice to paragraph G.9.1.12 (d)" with "without prejudice to paragraph G.9.1.12(c)" in line 1 of paragraph	
77	G.10.1.1	Financial and Settlement – Parameters for the Determination of Required Credit Cover	At the RLG on 15th December 2016 slide number 53 referred to "Undefined Exposure Period" as a credit cover parameter but it has been omitted from the list of parameters	Please add "Undefined Exposure Period" to the list (a)-(f) of parameters	
78	G.10.1.1	Financial and Settlement – Parameters for the Determination of Required Credit Cover	The current T&SC provides in section 6.181 that with regard to the ratio of required to posted credit cover "Any Participant may require the Market Operator to set a lower or higher Warning Limit for it." This provision should be retained for I-SEM given the relative uncertainty that exists regarding potential credit cover level requirements	Please retain the option for participants to require the MO to set a lower or higher Warning Limit for it, as is in the current T&SC. Add "Any Participant may require the Market Operator to set a lower or higher Warning Limit for it." at the end of paragraph G.10.1.1.	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
79	G.10.1.3	Financial and Settlement – Parameters for the Determination of Required Credit Cover	The possibility of only 5 WD notice of these parameters is unacceptable for risk and financial planning reasons. It must be minimum 2 months notice	Replace “whichever is the later” on line 3 to “whichever is the earlier”	
80	G.11.1.1(i)	Financial and Settlement – Provision of Credit Cover Information	Typo	Replace “Generator Units” with “Generator Unit”	
81	G.15.1.1(c)	Financial and Settlement – Calculations of Required Credit Cover for Participants	Clarity sought – there is reference here to section G.14.12.6 but G.14.12.6 does not exist. Please confirm correct section before codification	See clarity sought in commentary/ explanation	
82	G.15.1.1(e)	Financial and Settlement – Calculations of Required Credit Cover for Participants	Clarity sought – there is reference here to section G.14.6.11 but G.14.6.11 does not exist. Please confirm correct section before codification	See clarity sought in commentary/ explanation	
83	G.17.2.1 (d)	Financial and Settlement – Settlement Reallocation: Settlement Reallocation Agreements	Typo	Please replace “(if s known)” on line 2 with “(if known)”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
84	G.18.1.2 (c)	Financial and Settlement – Implementation Of Administered Imbalance Settlement: General Principles in the Event of Administered Imbalance Settlement	In situations where Administered Imbalance Settlement must apply, BGE agrees that principles must be adhered to. Clarity would be welcomed however on how adherence to the principle of seeking results as close as possible to those which would have outturned under normal Settlement processes can be assessed?	See clarity sought under commentary/ explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
85	G.18.3.3	Financial and Settlement – Implementation Of Administered Imbalance Settlement: Administered Imbalance Settlement	BGE requests that a Settlement Rerun occurs once all Settlement amounts can be determined following Administered Settlement resulting from Electrical System Collapse and not only General System Failure. The Electrical System Collapse may only see generation ceasing in part of the Transmission System which could impact correct settlement volumes and prices once data subsequently becomes available.	Please add “or Electrical System Collapse” on lines 1-2 after “”resulting from General System Failure”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
86	G.19.1.6	Financial and Settlement – Management of VAT and Taxes	VAT amounts are to be prepared in accordance with applicable VAT legislation. Market Operator Charges in the two jurisdictions should be clearly separated for relevant parties given the variance in VAT rules between the two. Please confirm that this will be the case	Please confirm the point raised in commentary/ explanation	
87	H. 1.1.1	Interim Arrangements - Introduction	While “Cutover Time” is defined, 'Cutover Date' doesn't seem to be defined anywhere?	Please define 'Cutover Date'	Glossary

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
88	H.2.1.1	Interim Arrangements - Start of New Trading Arrangements: Modifications	<p>(i) It is not explicit that market participants also have the individual right to apply to the RAs for a modification to this Code or an Agreed Procedure to correct a material error/ inconsistency that becomes apparent in the first 6 months.</p> <p>(ii) It is critical that sufficient market wide notice of any proposed change is given and that potential system impacts of proposed changes are taken into account before modifications are made; no major system impacts should result given for example potential cost impacts</p>	<p>Please add:</p> <p>(i) "or market Participant" after "Market Operator"</p> <p>(ii) a line at the end of paragraph H.2.1.1 stating that "Reasonable notice to market participants of proposed Modification(s) shall be published and potential system impacts and costs shall be taken into account before any Modification is made"</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
89	H.2.1.3	Interim Arrangements - Start of New Trading Arrangements: Modifications	Notwithstanding the urgency of any Modification, Committee members should be given reasonable time to consider the modification taking into account the gravity of it and the fact that market participants may be best placed to assess the potential gravity of the change	Please add "reasonable" before "time" on line 2	
Appendices of Draft ISEM Trading and Settlement Code - BGE comments					
90	Appendix A Standard Letter of Credit	Standard Letter of Credit	As the "Trading and Settlement Code" is referenced in this document, should it not be defined and made explicit that it relates to Balancing Market trading (as opposed to also day ahead/ intraday trading)?	Consider inserting definition of Trading and Settlement Code as suggested in commentary/ explanation. Consider adopting the current Code's definition but instead of it meaning "the trading arrangements for the SEM..." explicitly refer to the Code as meaning "the <u>Balancing Market</u> trading arrangements for the SEM..."	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
91	Appendix B Dispute Resolution Agreement	Dispute Resolution Agreement	As the “Trading and Settlement Code” is referenced in this document, should it not be defined and made explicit that it relates to Balancing Market trading (as opposed to also day ahead/ intraday trading)?	Consider inserting definition of Trading and Settlement Code as suggested in commentary/ explanation. Consider adopting the current Code’s definition but instead of it meaning “the trading arrangements for the SEM...” explicitly refer to the Code as meaning “the <u>Balancing Market</u> trading arrangements for the SEM...”	
92	Appendix C Form of Authority	Form of Authority	The interpretation of “Trading and Settlement Code” at the end of this Appendix should explicitly reference the Balancing Market	In subsection 1.1 replace on lines 1-2, “means the trading arrangements for the SEM” with “ means the <u>Balancing Market</u> trading arrangements for the SEM”	
93	Appendix E Data Publication	Data Publication	Page A17: “Full Administered Scarcity Price” must be published at least 4 months before the relevant capacity auction not the “Year”. 5 WD of the RAs’ determination is much to short to enable informed capacity auction bidding	Under the Time column, replace “Year” with “relevant Capacity Auction” and “whichever is later” with “whichever is earlier”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
94	Appendix E Data Publication	Data Publication	Page A18: (i) “Reserve Scarcity Price Curve” must be published at least 3 months before Capacity Auction for informed bidding purposes (ii) “Price Average Reference Quantity” – the potential for only 5WD notice must be removed	Consider: (i) In Time column redrafting to “Within five Working Days of receipt from the Regulatory Authorities or three months before relevant Capacity Auction which is earlier” (ii) In Time column replacing “whichever is later” with “whichever is earlier”	
95	Appendix E Data Publication	Data Publication	Page A18: Both “Annual Stop-Loss Limit Factor” and “Billing Period Stop-Loss Limit Factor” must be known at least 3 months before capacity auctions for informed bidding purposes	In Time column for both data items, redraft for both as follows: “At least three Months before start of the Capacity Auction, or within five Working Days of its approval from the Regulatory Authorities, whichever is earlier”	
96	Appendix E Data Publication	Data Publication	Page A19: The potential interpretation of only 5 WD notice of a parameter is noted several times on this page, and must be removed.	In the Time column, wherever there is any reference to “whichever is later” it should be changed to “whichever is earlier” to avoid the risk of only having 5 WD notice for e.g. of a Supplier Capacity Charge Price	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
97	Appendix E Data Publication	Data Publication	Page A19: The “Fixed Market Operator Charge (Supplier Unit)” and “Fixed Market Operator Charge (Generator Unit)” would preferably be published at least 2 months before the start of the year given that 30 day notice of tariffs is required to be given to customers	In the Time column for both data items, please redraft for each as follows: “At least two Months before start of Year”	
98	Appendix E Data Publication	Data Publication	Page A20: Please ensure “Variable Market Operator Price” is published at least 2 months before the start of the year given that 30 day notice of tariffs is required	In the Time column please redraft as follows: “At least two Months before start of Year”	
99	Appendix E Data Publication	Data Publication	Page A20: The potential for 5 WD notice of some parameters being given must be removed for market certainty and forecasting reasons	In the Time column, wherever there is any reference to “whichever is later” it should be changed to “whichever is earlier” to avoid the risk of only having 5 WD notice for e.g. Transmission Loss Adjustment Factors	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
100	Appendix E Data Publication	Data Publication	Page A21: The potential for 5 WD notice of some parameters being given must be removed	In the Time column, wherever there is any reference to “whichever is later” it should be changed to “whichever is earlier” to avoid the risk of only having 5 WD notice for e.g. Imperfections Charge Factor	
101	Appendix E Data Publication	Data Publication	Page A23: On table 7, please confirm that “Price of Bid Offer Acceptance” and “Quantity of Bid Offer Acceptance” will be provided on a per unit basis? Also on page 7, please confirm that “Anonymised inc/ dec curves” will also be provided on a per unit basis?		

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
102	Appendix E Data Publication	Data Publication	Page A23: Market participants require “Final Physical Notifications” (FPNs) as soon as possible on their finalisation to obtain insight to market supply/ demand positions. FPNs publication should be moved from table 8 to table 7 so FPNs become publishable “Following each ISP”	Please add Final Physical Notifications to table 7 such that they are published “Following each ISP” (every 30 minutes)	
103	Appendix E Data Publication	Data Publication	Page A24: BGE requests that SO Interconnector Trade <u>volumes and prices</u> are published within the time specified	For the data item “SO Interconnector Trades” please redraft it to cover “SO Interconnector Trade volumes and prices”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
104	Appendix E Data Publication	Data Publication	<p>Page A24: “Metered Generation by Unit” is published Trading Day +1 at present; BGE requests at least the same timeline in I-SEM</p> <p>“Metered Generation by Jurisdiction” should also be publishable <u>Trading Day +1</u> (not <u>working day +1</u>)</p>	<p>Please change the Time column for “Metered Generation by Unit” to “By 16:00 <u>Trading Day +1</u> and...”</p> <p>Please change the Time column for “Metered Generation by Jurisdiction” to “By 16:00 <u>Trading Day +1</u> and...”</p>	
105	Appendix E Data Publication	Data Publication	<p>Page A25: Regarding “Day-ahead Trade Quantity” and “Day-ahead Trade Price for Trade”, BGE requests that such information is published as soon as possible from the publication of Euphemia results. If not please confirm that these will be made available from the NEMO as soon as Euphemia results are ascertained</p>	<p>Please consider for both Day-ahead Trade Quantity” and “Day-ahead Trade Price for Trade”, in the ‘Time’ column, replacing “By 16:00 Two Working Days after...” with “<u>As soon as possible after Euphemia results...</u>”</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
106	Appendix E Data Publication	Data Publication	General: BGE requests confirmation that suitable notice will be given to market participants of potential ASP events in order that market participants can respond accordingly?	Please provide the confirmation sought as per the commentary/ explanation on this	
107	Appendix G	Settlement Statements, Settlement Reports and Settlement Documents	General: from an administrative perspective please clarify in detail exactly what is included in each Settlement Statement/ Settlement Document/ Settlement Report	Please provide clarity sought in commentary/ explanation on this	
108		Para 11	Typo	Please Change "Disputes" to "Dispute"	
109		Para 12	Typo	Please replace "paragrphs" with "paragraphs"	
110		Para 13	Typos - the order of letters after letter (i) in the list is incorrect	Correct in alphabetical order from (i) onwards	
111		Para 17	Typo	Delete "(d)" on the last line as it is not part of the list	
112		Para 19	Typo	Replace "Participans" on line 2 with "Participant"	
113		Para 20	Typo	Delete "The" and insert "or the" between "Revenue Authorities" and "Market Operator"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
114	Appendix H	Data Requirements For Registration	Typo	Numbering on page A37 should start with "1" not "24"	
115	Appendix I Offer Data	Offer Data	General comment - Please review references throughout appendix I to numbering of paragraphs according to which participants are to submit order data. E.g. paragraph 6 states "in accordance with paragraphs 11-1 of this Appendix". Should this instead read "in accordance with paragraphs 11-12 of this Appendix"?	Please see concern noted in commentary/ explanation	
116		16(c)(ii)	The reference to the name of Appendix H is incorrect	Replace name of Appendix H with "Data Requirements for Registration"	
117		16(d)(iii)	Sub paragraph seems to be missing the words 'immediately previous' between 'value as the' and 'To MW'?	Please see concern noted in commentary/ explanation	
118		16 (d) (iv)	The reference to the name of Appendix H is incorrect	Please replace name of Appendix H with " "Data Requirements for Registration"	
	Appendix O Instruction Profiling	Instruction Profiling Calculations			

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
119	Calculations	Para 3	When will the “[XX:XX] on D+1 and D+4” time be determined for inclusion in the Code? Notice of such before codification is requested	Please clarify and confirm time as per commentary/ explanation	
120		Para 6	Typo	Correct the spelling on line 2, to “Controllable”	
121		Table 49, pages A94-A95	Typos throughout table relating to the word “time”	Replace all references to “Tme” with “Time”	
122			Where is “Effective Until Time” defined?	Please define “Effective Until Time” in glossary	Glossary
123		Para 32	Where is “Undelivered Quantity” defined?	Please define 'Undelivered Quantity' in glossary	Glossary
Transitional Arrangements of Draft ISEM Trading and Settlement Code - BGE comments					
124	Transitional Arrangements	General comment	Settlement Reallocation Agreements – BGE seeks clarity as to the provision for submission of SRAs to be in place for I-SEM given that they are to be submitted 60-20 WDs in advance of I-SEM go live. It was mentioned in RLG 10 that consideration would be given to such in the transitional I-SEM arrangements	Please provide clarity sought as per commentary/ explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
125		Parties and accession process C.4.2.3	The period during which the MO can stop accepting registration applications under this section must be reasonable and should not be open ended	Propose re-phrasing line 1 to read: “... may at its reasonable discretion specify a <u>reasonable</u> period during which”	
126		Participation and registration of units C.5.2.2	Again a period during which the MO will not accept or process new Participation Notices in this instance, should be reasonable	Propose re-phrasing lines 2-3 to read: “...or otherwise, a <u>reasonable</u> period during which it will not accept or process...”	
127		Modifications Committee and Dispute Panel Continue C.6.1.1 (d)-(f)	The term "Disputes Panel" is not defined in Part A or Part B glossary but "Panel" is. For clarity an amendment is required	Change "Disputes Panel" to "disputes Panel" for clarity on what Panel these subsections are referring to	
Agreed Procedures (APs) of Draft ISEM Trading and Settlement Code - BGE comments					
128	AP1- Registration	1.2 Introduction: Scope of Agreed Procedure	Typo	Insert “to” on the 2 nd line of the third paragraph: “... statement of process and procedure <u>to</u> be followed...”	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
129	AP1-Registration	2.1 Overview: Party Registration	Typo – error	Insert link that should exist after (d) where “Error Reference source not found...” appears	
130	AP1-Registration	2.2 Overview: Unit Registration	Typo - omission	In the second last paragraph section 2.2 on page AP1-7, on line 4 insert relevant subsection on phrase “... outlined in Oof this Agreed Procedure...”	
131	AP1-Registration	2.7.3 Registration of Special Units: Registration of an Aggregated Generator Unit	Typo	Insert a blank space on line 3 as required in the phrase “... section3.2.1.”	
132	AP1-Registration	2.7.5 Registration of Special Units: Registration of an Assetless Unit	This paragraph refers to the registration by SEM NEMO(s) of Assetless Units to account for imports/ exports as outlined in section B.8 of the Code. Section B.8 also however refers to the registration of an Assetless Unit for the purposes of the calculation of payments and charges relating to quantities determined under paragraph F.5.2.10 (S.B.8.1.2 (d))	Consider whether reference should also be made in S.2.7.5 of this AP1 to the Assetless Unit to be registered for the calculation of payments and charges relating to quantities determined under paragraph F.5.2.10? If not included, please explain why not?	B.8.1.2(d)

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
133	AP1-Registration	3.2.2 Procedural Steps: Stage 2: Review and Validation	<p>The Timing column of step 2.1 under this section 3.2.2 refers to informing the Applicant of certain IDs and agreements “Within 3 WD of Stage 2 commencing”. Between Stage 1 and Stage 2 however it is unclear/ unspecified as to exactly when Stage 2 commences. The only reference is at the beginning of step 3.2.2 which states that on completion of Stage 1, the application will be sent for “Review and Validation”. A deadline within which the application will be sent for “Review and Validation” is required to avoid uncertainty regarding exactly when Stage 2 commences</p>	<p>Consider inserting an addition to the ‘step description’ for step 1.5, in subsection 3.2.1 (on page AP1- 17) to clarify when Stage 1 ends/ Stage 2 begins. This addition should capture that on satisfactory completion of an application, and once receipt is issued, the MO will send it for “Review and Validation” by the External Data Providers.</p>	<p>3.2.1 Procedural Steps: Stage 1: Application</p>

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
134	AP1-Registration	3.2.3 Procedural Steps: Stage 3: Participant Readiness	Step 3.3 of this stage is missing a "Timing" deadline	Consider adding a deadline of "As early as possible but within the Timeline for Step 3.2 above" for this MO task	
135	AP1-Registration	Appendix 1 of AP1: Definitions and Abbreviations	The definition of "Change of Supplier" is under review and will be updated. Please confirm market parties will be informed of this before its codification?	Please see confirmation sought in commentary/explanation	
136	AP1-Registration	Appendix 2 of AP1: Access Roles and Rights of Users	Typo - omission	On the 2 nd line of "USE TYPES" on page AP1- 36 rephrase to "may identify more than <u>one</u> User..."	
137	AP1-Registration	Appendix 3 of AP1: Registration Information Communicated to Meter Data Provider Parties by the Market Operator: 1.4 Registration Event 4 – Supplier Unit Deregistration	Typo	Please change "... is a Demand customer..." on line 2 to "... when a Demand customer..." for clarity	
138	AP3-Communication Channel Qualification	Table of Contents (page 2)	Typo	Please correct formatting error on page AP3-2, across from section 3.4. Page number to be inserted in place of "Error! Bookmark not defined"	
139	AP4-Transaction Submission and Validation	2.3.3 (b)Data Transaction Identifiers	Typo	Change "associate0d" on line 2 to "associated"	
140	AP4-Transaction Submission and Validation	2.3.5 Data Transactions: Submission Timescales	Where is 'Invoice Day' defined?	Please define 'Invoice Day' in Glossary or at back of AP4	Glossary

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
141	AP4-Transaction Submission and Validation	2.6 Default Data Rules	<p>There is a note at the start of this section stating "Section to be updated to include Physical Notifications". Given that the introduction of PNs is a significant change from SEM to I-SEM, please confirm that the text to be inserted here will be communicated to industry for review before its final insertion?</p>	<p>Please provide confirmation sought as per commentary/ explanation</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
142	AP4-Transaction Submission and Validation	2.6.5 Standing Offer Data	<p>The end of this subsection states that the “earliest effective date of a Standing Offer Data submission is Current Day +19 days”. Where a party submits data between the Current Day and +19 days, a party that has Offer Data they want qualified as Standing Offer Data, must manually submit Offer Data on a daily basis until such time as the +19 days is reached. This has proved very burdensome for participants and is due to system limitations outside their control. BGE requests that (i) the “+19 days” be reduced insofar as possible to ~2 days and (ii) where there is a delay for Offer Data to become Standing Offer Data, that the burden of manual daily submission of such Data transfer to the Market Operator, once the market participant has submitted the relevant data to the MO.</p>	<p>(i) Please consider reducing "+19 days" to "+Xdays", where "X" equals the minimum amount of time the MO systems can practically accept order data to be recognised as Standing Order Data; BGE suggests ~2 days</p> <p>b) Please see commentary/ explanation – request that the MO become responsible for manual daily submission of Offer Data that will become Standing Data on the expiration of the relevant timeline as the burden of daily manual submission should not fall on participants given that the problem is driven by a system issue outside of participants’ control</p>	Glossary

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
143	AP4-Transaction Submission and Validation	2.6.5 Standing Offer Data	"Data Conversion" while explained at the end of the paragraph is not defined in the appendix to AP4 or the Glossary	Please define "Data Conversion" in the appendix to AP4 or the Glossary	
144	AP4-Transaction Submission and Validation	2.6.5 Standing Offer Data	Reference is made at the end of this subsection/ paragraph to Data Conversion failing – could examples of when the MO foresees that Data Conversion might fail, be provided?	Please provide examples sought as per commentary/ explanation?	
145	AP4-Transaction Submission and Validation	2.6.5 Standing Offer Data	The timeline for when the MO will notify of a Data Conversion failure is too loose. An onus should be put on the MO to notify affected participants as soon as possible on discovery of the failure and to rectify the issue as close to discovering the failure as possible, given the implications for participants of not having offer data accepted.	Consider replacing the last two lines from after the words "at the relevant Gate Opening) fails" with "the Market Operator shall contact the Participant <u>as soon as possible on discovery of the failure</u> to add Commercial Offer Data and Technical Offer Data and updated Standing Offer Data if appropriate, with an aim to resolve the situation within 5 Working Days <u>of discovering the failure.</u> "	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
146	AP4-Transaction Submission and Validation	2.6.6 Submission of Standing Offer Data, Commercial and Technical Offer Data	<p>A note at the beginning of section states “this section to be updated once further details become available.” Given the importance of Standing / Commercial / Technical Offer Data in the market, BGE requests confirmation of what details and when these details are to be expected? Industry should be permitted review before its final insertion</p>	Please see commentary/ explanation - please confirm that the text to be inserted here will be communicated to industry for review before its final insertion?	
147	AP4-Transaction Submission and Validation	2.7.2	With regard to the number of minutes before GC1 for which technical offer data will be accepted, BGE requests that the “X” minutes is as close to GC1 as systems will reasonably allow	Please see commentary/ explanation	
148	AP4-Transaction Submission and Validation	3.1 Cancellation of a Unit Under Test	Typo	Step 4 should refer to the need to "go to 1.6" and "go to 1.5" instead of "go to 1.5" and "go to 1.4" respectively	
149	AP4-Transaction Submission and Validation	3.1 Cancellation of a Unit Under Test	Typos	Step 7 should refer to the need to "go to 1.8" and "go to 1.9" instead of "go to 1.7" and "go to 1.8" respectively	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
150	AP5 - Data Storage and IT Security	2.4.1 (d) Controlling Access to Information	The reference to REMIT Data being restricted to ACER and relevant Participants should not limit the potential for a central REMIT platform in the market	Consider adding "without prejudice to public access to REMIT Data required pursuant to legislation" at the end of the subsection	AP6- page 5 (d) is also affected
151	AP5 - Data Storage and IT Security	3 Computational Machine Precision and Method of Rounding	Please confirm that the 'computational machine precision and method of rounding' will be included in a market participant user interface document?	Please see confirmation sought as per commentary/ explanation	
152	AP6 - Data Publication and Data Reporting	AP6-page 14 Data Publications	"REMIT Data Transaction" is to be reported on MO website. This is welcomed but BGE requests clarification of the channels being used to relay REMIT data to ACER for unit specific data?	See clarification sought as per commentary/ explanation	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
153	AP6 - Data Publication and Data Reporting	AP6- page 16 & page 17 Data Publications	"Two Year Maintenance Schedule - Generator Outages Schedule" is to be published annually and as required. It would be very beneficial for market participants to have regular insight to these schedules (rolling outage forecasts) for market predictability. Rolling wind forecasts are also considered critical to market insights	Consider changing the class from a 'B' to a 'C' for "Two Year Maintenance Schedule - Generator Outages Schedule" Consider changing class from 'D' to 'A' for "four day rolling wind power unit forecast by unit" and "four day rolling wind power unit forecast aggregated by jurisdiction" so updates as and when forecasts change are published	
154	AP6 - Data Publication and Data Reporting	AP6- page 19 Data Publications	BGE requests the publication of rolling generator outage data as it will greatly facilitate BM operation and participation	Please change the class from a "H" to an "A" for Daily Generator Outage Schedules to reflect that they will be updated as often as required	
155	AP6 - Data Publication and Data Reporting	AP6- page 21 Data Publications	"De-rating Factor" and "Above De-rated Capacity Factor" need to be published at least 3 months before the relevant Capacity Auction, not on a daily basis, for informed bidding reasons	Consider changing the Timing column for both publications to reflect that they will be published "By at least Three Months before the relevant Capacity Auction"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
156	AP6 - Data Publication and Data Reporting	AP6- page 22 Data Publications	“Capacity Quantity” and “Initial primary Auction Capacity payment price” should be published immediately after the relevant auction?	Consider changing the Timing column to reflect “Capacity Quantity” and “Initial primary Auction Capacity payment price” data publication as soon as possible after the auction in question. Consider changing Class column from “H” to “B”	
157	AP6 - Data Publication and Data Reporting	AP6- page 23 Data Publications	“Strike Price for Month” is critically required to be published at least 4 months before the relevant Capacity Auction, not on a daily basis, for informed bidding reasons	Consider changing Class column from “H” to “B” and change Timing column to reflect Class change	
158	AP6 - Data Publication and Data Reporting	AP6- page 27 Data Publications	The data items listed do not appear to be defined	Please define the data items listed on this page	
159	AP6 - Data Publication and Data Reporting	AP6 – page 28 Data Publications	It seems all of these data items listed should be publishable before a Capacity Year (not at the end of a Capacity Period) from a customer tariffs perspective?	Please change Class column from “I” to “A” and Timing column to reflect their publication at least two months before the relevant Capacity Year. If this data is the actual incurred over the actual Period in question, this should be delineated from the annual price/ charge/ factor in question	
160	AP6 - Data Publication and Data Reporting	AP6 – page 34	Rolling outage data would be very beneficial for BM operation and participation purposes	Please change the class from a “H” to “A” for “Daily Generator and DSU Outage Schedules” to reflect a periodic update as and when changes occur will be published	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
161	AP6 - Data Publication and Data Reporting	AP6	General comment: in view of commitments given in the RLGs on data publication, please confirm where data relating to e.g. constraints, curtailment, system frequency, system reserves, load following de-rating factors, interconnector availability will be published and when?	Please see confirmation sought	
162	AP7 – Emergency Communications	General comment relating to AP	Please confirm that any templates required pursuant to this AP will be easily available and accessible to market participants on a timely basis	Please see confirmation sought as per commentary/ explanation	
163	AP9 - Management of Credit Cover and Credit Default	Management of Credit Cover and Credit Default			

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
164	AP9 - Management of Credit Cover and Credit Default	2.5.1	<p>Currently, to discover warning notices or credit cover increase notices, parties must either log in to the RCC interface or obtain the information through market manager which in either case is only obtainable one business day after the warning arises. Given the potential repercussions of such notices, earlier notice of such is requested. Email notification of such would best meet this request.</p>	<p>Propose that 2.5.1 (a) is rephrased to: “Warning Limit: If the calculated ratio exceeds the Warning Limit but does not exceed the Breach Limit, a Warning Notice shall be sent to the Participant by the Market Operator, <u>by email on the day of calculation.</u>” Propose that 2.5.1 (b) is rephrased to: “Breach Limit: If the calculated ratio exceeds the Breach Limit, a Credit Cover Increase Notice shall be sent to the Participant by the Market Operator, <u>by email on the day of calculation.</u>”</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
165	AP9 - Management of Credit Cover and Credit Default	2.9.1	We don't agree with putting an onus on participants to provide "proof" that the bank providing their Letter of Credit (LOC) meets the Bank Eligibility Requirements. The standard or type of 'proof' sought here is unknown as is whether banks will be willing to provide such as a matter of course. It could act as an obstacle to obtaining credit cover for any participant. Information such as bank credit ratings is publically available and the onus to check each LOC complies with the Code requirements should remain with the MO.	Propose deletion of para 2.9.1	
166	AP9 - Management of Credit Cover and Credit Default	2.10.4	Typo	Delete "="	
167	AP9 - Management of Credit Cover and Credit Default	2.11.2	Typo	Change "paragraph 2.12.1 above" to "paragraph 2.11.1 above"	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
168	AP9 - Management of Credit Cover and Credit Default	Section 3: Procedural Steps	There are several references in the Timing columns throughout to the MO carrying out tasks before 12.00 "the day before Payment Due Date" or "one Working Day before Payment Due Date". In some instances the MO may have the data necessary to carry out the task in question several days before the Payment Due Date. It should be made explicit that the MO carries out such tasks as soon as reasonably possible but before 12.00...	Consider adding "as soon as reasonably possible" to Timing columns that refer to the MO completing a task one day before/ the day before Payment Due Date to provide scope for earlier task completion where feasible	
169	AP11- Market System Operation, Testing, Upgrading and Support	2.1.1 Customer Services Function: Categorisation and Prioritisation of Helpdesk Requests	Typo in table on page 5, step 3	Change "Coded" on line 3 to "Code"	
170	AP11- Market System Operation, Testing, Upgrading and Support	2.3.6 Problem Management: Process	Typo	Delete "]" at end of third paragraph	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
171	AP12 – Modifications Committee Operation	3.2 Procedural Steps: Submission of a New or Revised Urgent Modification Proposal	Step 6 should have a definite deadline other than “As soon as possible following receipt” given the urgent nature of the Modification in question	Add “but no later than 1 WD following receipt” after “As soon as possible following receipt”	
172	AP12 – Modifications Committee Operation	Appendix 1 to AP12: Definitions and Abbreviations	The definition of “Interested Parties” is still “[TBC]” – please confirm that industry will be informed of this before its codification?	Please see confirmation sought in commentary/ explanation	
173	AP12 – Modifications Committee Operation	Appendix 2 to AP12: Modification Proposal Form	As the capacity market code for I-SEM will be contained in a separate legal document to the energy market arrangements, it is considered prudent to include a requirement that all Modifications consider cross market impacts as between energy and capacity market arrangements when assessing a Modification proposal	Considering inserting an explicit reference to capacity market arrangements in the “Impacts” section of the Modification Proposal Form	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
174	AP14 – Disputes	3.1 Procedural Steps: Raising a Dispute, Steps 5 and 13b	<p>Please also see comment above relating to section B. 19.6.1 in the Code where it is unclear as to whether a Pricing Dispute is to be referred to a DRB within 5WD of the Notice of Dispute, or within 40WD of the Notice of Dispute.</p> <p>However, step 5 in this AP14 implies that for up to 15WD after a Dispute arises, parties should negotiate a solution (as there are 5WD from a dispute arising to raise a Notice plus an additional 10WD to negotiate from Notice of Dispute being raised). Step 13b then states that a pricing dispute must be referred to the DRB within 5WD of the Notice of Dispute which conflicts with Step 5?</p>	<p>Please clarify the correct timelines relating to pricing disputes, their negotiation of resolution and timelines for referral to the DRB. Please see commentary/ explanation on section B. 19.6.1 in the Code above also – alignment between all of the relevant sections affected is necessary for clarity.</p>	B.19.6.1

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
175	AP15 – Settlement and Billing	2.2 Overview: Republishing of Settlement Statements	<p>This paragraph states that Settlement Statements and Reports, where republished, “will be published to the same version number for the same Settlement Run.” BGE is concerned about this proposal to overwrite versions. Each published Statement/ Report should be retained and referenced by a version number for settlement/ billing tracking purposes. It may otherwise lead to confusion as to what Settlement run a version relates to and what version is active and applicable at any one time, which greatly increases the administrative burden.</p>	<p>Propose that this section 2.2 is amended to reflect that whenever a new version of any document is published, it will be published as a new version and not an overwrite of the original. For e.g. the original document could for e.g. be labelled “initial” and each revised publication of the “initial” thereafter should be “initial - revision 1”, “initial - revision 2” etc. This is important also for M+4, M+13 data. I.e. when a revision relates to M+4 or M+13, it should be labelled “M+4” or “M+13” as well as having a version number. This would greatly reduce the burden of determining which settlement period, published settlement documents actually relate to</p>	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
176	AP15 – Settlement and Billing	2.3 Overview: Settlement Documents	In (a) the Billing Period is defined as “starting on a Sunday at 00:00 and ending on the next Saturday at 24:00”. Are these times inclusive and if so should there be a different time applied to one of them for clarity in when exactly a month begins/ ends?	Consider adding 1 minute to one of the timings to ensure there is no potential for confusion as to what Capacity Period applies at the end/ beginning of any particular month, e.g. “23:59” in place of “24:00”	Glossary
177	AP15 – Settlement and Billing	2.3 Overview: Settlement Documents	In (b) the Capacity Period is defined as “starting at 00:00 on the first day of the month, and ending at 24:00 on the last day of the month”. Are these times inclusive and if so should there be a different time applied to one of them for clarity in when exactly a month begins/ ends?	Consider adding 1 minute to one of the timings to ensure there is no potential for confusion as to what Capacity Period applies at the end/ beginning of any particular month, e.g. “23:59” in place of “24:00”	Glossary
178	AP17 Banking and Participant Payments	2.7.2	Typo	Replace "If such circumstances..." on lines 6-7 with "In such circumstances"	
Glossary of Draft ISEM Trading and Settlement Code - BGE comments					
179	Glossary	General comment for glossary and definitions in Code: Where words are capitalised and should be in the glossary, its preferable where possible to stipulate the actual definition in the glossary rather than cross referring to other sections in the TSC or to other Codes (e.g. “Indicative Operations Schedule” definition requires one to refer to the Grid Code)			

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
180		"Achievable Difference Payment"	"Achievable Difference Payment" is reference in s. G.5.6.1 but not defined	Please define	
181		"Capacity Quantity Scaling Factor"	"Capacity Quantity Scaling Factor" is not defined	Please define	
182		"Day-ahead Difference Quantity"	"Day-ahead Difference Quantity" is not defined	Please define	
183		"Demand Side Non-Delivery Percentage"	"Demand Side Non-Delivery Percentage" is not defined	Please define	
184		"Effective Until Time"	"Effective Until Time" is not defined	Please define	
185		"Imbalance Price Flag"	"Imbalance Price Flag" definition refers to s. E.3.4.4.	There is no E.3.4.4. Please add the correct section	
186		"Intraday Trade Quantity for Trade Tracked Difference"	"Intraday Trade Quantity for Trade Tracked Difference" is not defined	Please define	
187		"Invoice Day"	"Invoice Day" (as used in AP4) is not defined	Please define	
188		"Recoverable Start Up Costs"	"Recoverable Start Up Costs" referenced in s. F.11.2.4 is not defined	Please define	
189		"Residual Tagged Quantity"	"Residual Tagged Quantity" is not defined	Please define	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
190		"Undelivered Quantity"	"Undelivered Quantity" is not defined	Please define	
191		"Settlement Day"	"Settlement Day" is defined as "a period starting from 00:00 and ending at 24:00 each day". As "00:00" and "24:00" are the same time, to avoid ambiguity a change by one minute should be applied to one of these times	Consider changing "24:00" to "23:59"	
192		"Tariff Year"	"Tariff Year" is defined as "a period commencing at 00:00h on 1 October and ending at 24:00h on the next occurring 30 September". As "00:00" and "24:00" are the same time, to avoid ambiguity a change by one minute should be applied to one of these times	Consider changing "24:00" to "23:59"	
193		"Within-day Trade Difference Charge"	"Within-day Trade Difference Charge" Is not defined	Please define	

ID	I-SEM TSC Reference	Short Title	Commentary / Explanation	Suggested Drafting Change to the TSC	Relevant Cross-Reference for any impacted section
194		“Within-day Trade Difference Quantity”	“Within-day Trade Difference Quantity” is not defined	Please define	
195		“Within-day Trade Quantities”	“Within-day Trade Quantities” is not defined	Please define	
196		“Year”	“Year” is defined as “a period commencing at 00:00h on 1 January and ending at 24:00h on the next occurring 31 December.” As “00:00” and “24:00” are the same time, to avoid ambiguity a change by one minute should be applied to one of these times	Consider changing “24:00” to “23:59”	

NB please add extra rows as needed.