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Director, Wholesale Markets

The Northern Ireland Authority for
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Queens House
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John Melvin
Director, Energy Markets

The Commission for Regulation of Utilities
Belgard Square North
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Dublin 24
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22 December 2021

RE: Application for derogation as allowed under section G.1.2.3 of the Trading Settlement Code

Dear Colin, John,

Further to the SEMO derogation request SEM-21-091 and your subsequent decision SEM-21-092 of 17 November 2021, SEMO is seeking a derogation as allowed under Section G.1.2.3 of the Trading and Settlement Code. This derogation is in relation to the Demand Side Unit Energy Adjustment Payment or Charge (CEADSU), and potentially related changes arising from the implementation of Mod_17_19, where the application of such payments or charges would result in Demand Side Units (DSUs) incurring undue payments or charges associated with the high price events between 12 August 2021 and 29 September 2021 that would not have occurred if Mod_02_21 was effective in the market systems. SEMO is of the view that the rationale set out in SEM-21-091, which satisfied the criteria set down in Section G.1.2.3 of the Trading and Settlement Code, equally applies to these charges.

If Mod_02_21, which sets a flag for interconnector actions and was approved on 12 August 2021, had been effective in the market systems during the high price events there would have been no Reliability Option events during the period. CEADSU was introduced to the Trading and Settlement Code through Mod_17_19. However Mod_17_19 related payments and charges have not yet been invoiced due to a defect in the system. The fix to address this has since been delivered in Release H in November 2021.

Please do not hesitate to contact me if you have any queries.

Yours sincerely

Rodney Doyle
Chief Operations Officer

*On behalf of EirGrid Plc. and SONI Ltd.
in their respective capacities as licenced Market Operators*

Cc: Leigh Greer, Manager, Wholesale Electricity Markets, Utility Regulator
Grainne Black, Manager, Wholesale Electricity Markets, Commission for Regulation of Utilities
Aidan Skelly, Chief Financial Officer, EirGrid plc.
Claire Kane, Head of Settlement
Michael Kelly, Director of Market Operations, SEMO
Gill Nolan, Head of Operations Development and Compliance, EirGrid plc.
Deirdre Corbett, Group Regulation, EirGrid plc.