

MODIFICATION PROPOSAL FORM			
<b>Proposer</b> <i>(Company)</i>	<b>Date of receipt</b> <i>(assigned by System Operator)</i>	<b>Type of Proposal</b> <i>(delete as appropriate)</i>	<b>Modification Proposal ID</b> <i>(assigned by System Operator)</i>
Utility Regulator		Urgent	CMC_14_18
Contact Details for Modification Proposal Originator			
<b>Name</b>	<b>Telephone number</b>	<b>Email address</b>	
Modification Proposal Title			
Proposed Modifications in regards to the modification of LCC MW Limits by the RAs			
<b>Documents affected</b> <i>(delete as appropriate)</i>	<b>Section(s) Affected</b>	<b>Version number of CMC used in Drafting</b>	
Capacity Market Code	F.4.1.8	1.0	
Explanation of Proposed Change <i>(mandatory by originator)</i>			
<p>To permit the RAs to modify the LCC MW Limits proposed by the SOs to a value other than zero. This will enable the RAs to ensure a consistent approach to capacity procurement is taken for LCCs and the all island system given the changes that the RAs can already make to the all-island capacity requirement in forming the Demand Curve in F.3.1.4.</p> <p>This change is also needed to implement the T-4 Parameters Decision for CY2022/23 (SEM-18-155), in particular w.r.t. withholding of capacity set out in section 6.5.</p>			
Legal Drafting Change <i>(Clearly show proposed code change using <b>tracked</b> changes, if proposer fails to identify changes, please indicate best estimate of potential changes)</i>			
<p><i>Add F.4.1.8A</i></p> <p>The Regulatory Authorities may by written notice to the System Operators set the Locational Capacity Constraint Required Quantity for one or more specified Locational Capacity Constraints in one or more Capacity Auctions to a value other than that proposed by the System Operators under paragraph F.4.1.5, as modified in accordance with paragraph F.4.1.6, and shall in the notice give reasons.</p> <p><i>Add F.4.1.8B</i></p> <p>If the Regulatory Authorities set the Locational Capacity Constraint Required Quantity for a Locational Capacity Constraint for a Capacity Auction under paragraph F.4.1.8A, then they will ensure:</p> <ul style="list-style-type: none"> <li>(a) That the Locational Capacity Constraint Required Quantity is no greater than the total quantity of Gross De-Rated Capacity (Total) in respect of Capacity Market Units that are Qualified as contributing to satisfying the Locational Capacity Constraint; and</li> <li>(b) If the Locational Capacity Constraint is a Level 1 Locational Capacity Constraint that all the Level 2 Locational Capacity Constraints within the Locational Capacity Constraint Area of that Level 1 Locational Capacity Constraint are consistent with that Level 1 Locational Capacity Constraint for that Capacity Auction.</li> </ul>			

<b>Modification Proposal Justification</b> <i>(Clearly state the reason for the Modification)</i>
<p>The RAs can modify the capacity requirement in forming the Demand Curve under paragraph F.3.1.4 for a range of reasons. In the current draft, there is no route in section F.4 for such changes to be reflected in the LCC MW Limits leading to inconsistency of approach to capacity needed at the all-island and LCC levels.</p> <p>This Modification needs to be in place before the Final Auction Information Pack for the CY2019/20 T-1 Auction is published and so is being progressed as an Urgent Modification.</p>
<b>Code Objectives Furthered</b> <i>(State the Code Objectives the Proposal furthers, see Sub-Section A.1.2 of the CMC Code Objectives)</i>
<ul style="list-style-type: none"> <li>(b) to facilitate the efficient, economic and coordinated operation, administration and development of the Capacity Market and the provision of adequate future capacity in a financially secure manner;</li> <li>(g) through the development of the Capacity Market, to promote the short-term and long-term interests of consumers of electricity with respect to price, quality, reliability, and security of supply of electricity across the Island of Ireland.</li> </ul>
<b>Implication of not implementing the Modification Proposal</b> <i>(State the possible outcomes should the Modification Proposal not be implemented)</i>
<p>Inconsistencies could arise in the capacity procured at the all-island and LCC levels leading to inappropriate outcomes for both consumers and capacity providers.</p>
<b>Impacts</b> <i>(Indicate the impacts on systems, resources, processes and/or procedures)</i>
<p>No material impact to systems, resources and processes/procedures.</p>
<b>Please return this form to the System Operators by email to <a href="mailto:modifications@sem-o.com">modifications@sem-o.com</a></b>

### Notes on completing Modification Proposal Form:

1. If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal Originator.
2. Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Modifications Committee.
3. Each Modification Proposal will include a draft text of the proposed Modification to the Code unless, if raising a Provisional Modification Proposal whereby legal drafting text is not imperative.
4. For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:

**Agreed Procedure(s):** means the detailed procedures to be followed by Parties in performing their obligations and functions under the Code as listed in Appendix D "List of Agreed Procedures".

**T&SC / Code:** means the Trading and Settlement Code for the Single Electricity Market

**Modification Proposal:** means the proposal to modify the Code as set out in the attached form

**Derivative Work:** means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal

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

In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Section 2 of the Code (and Agreed Procedure 12), which I have read and understand, I agree as follows:

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