

<b>MEETING:</b>	<b>System Services Code Working Group Meeting #4 January 2025</b>
<b>DATE AND TIME:</b>	23 <sup>rd</sup> January 2025 09:30-11:00
<b>PARTICIPANTS:</b>	<p>Brian Mongan (BM), FERA  Cian Fitzgerald (CF), Energia  Harry Molloy (HM), EPUKI  Jon Sedgwick (JS), Viotas  Paraic Higgins (PH), ESB  Patrick Liddy (PL), DRAI  Paul McGuckin (PMcG), Mutual Energy  Peter Brett (PB), Eco Power Supply Ltd.  Peter Frampton (PF), VPI  Eoghan Cudmore (EC), Bord Gais Energy / ESI  Michael-Allan Millar (MAM), SSE  Bronagh McKeown (BMcK), UR  Donna Maye (DM), UR  Sumona Mukerjee (SM), CRU  Dylan Ashe (DA), CRU  Andrew Crawford (AC), EirGrid  Brendan O'Sullivan (BOS), EirGrid  Carole Devlin (CD), EirGrid  Joe Deegan (JD), EirGrid  Kasra Haji Bashi (KHB), EirGrid  Niamh Delaney (ND), EirGrid  Sarah Friedel (SF), SONI  Catherine Swanson (CS), FASS Programme Team  David Clark (DC), FASS Programme Team  Rachel Plomp (RP), FASS Programme Team  Daniel Marshman (DMa), Market Reform  Brendan Ring (BR), Market Reform</p>
<b>ABSENT:</b>	<p>Jessica Branigan (JBr), Matheson / IESA  Salim Temtem, PSC Consulting  Andrew Burke (AB), WEI  Eoin Farrell (EF), FASS Programme Team  Jag Basi (JB), ESB GT  Aidan Byrne (ABy), EirGrid  Helen Stack (HS), Bord Gais Energy / ESI</p>
<b>PREPARED BY:</b>	David Clark & Catherine Swanson

## Meeting Context

FASS SS Code Working Group Meeting was held virtually. Meeting facilitated by Carole Devlin.

### Agenda:

- Welcome and Introduction
- PEV Version 1: Key Updates
- Actions from Previous Working Group Meeting
- Information on Agreed Procedures
- AOB

## Minutes

### Welcome and Introduction

- CD welcomed the group and voices over the Agenda, Scope, Market Rules & Code Development PIR extract and Table of Contents (slides 2-5).

### PEV Version 1: Key Updates

- CD talked the group through the key updates.
- PH queried what aspects of settlement will not be covered in the System Services (SS) Code that will be captured under the Trading and Settlement Code (T&SC). CD clarified that reference to settlement included in the T&SC have been added in the SS Code for completeness and to cover any balancing market interactions. SS settlement will remain in the SS Code.
- CD noted that a lot of the SS Code detail will be in the full legal drafting and will be available as more detail comes through on the DASSA.
- CD noted the inclusion of Capacity Market Code was to remove ambiguity in Section 3.1.5.
- CD added the TSOs are including Market Operator in Section 3.3.1 of SS Code as this was not covered initially.
- BM queried whether the reference to Section B.7.4.6 of T&SC is correct. CD took an action to check.
- PH queried the inclusion of text in relation to the governance zones, noting that the RAs have requested a further consultation on the locational methodology. Therefore, the RAs and TSOs may not be aligned on this point. ND highlighted the determination of zones from a TSO perspective is based on operational security standards and grid codes. The TSOs will only consider additional zones where an operational security need has been identified from system studies. PH suggested a caveat that there will be a future consultation on the locational methodology which may introduce new zones in the Plain English Version. ND noted that the TSOs would look at the wording of the RAs decision on locational methodology again.
- PH queried section 3.5.7, where 25 days was removed and replaced with 20 working days. CD clarified it's to keep terminology to working days, as aligned with the T&SC, the time period has been kept the same.
- PH queried the addition of "in respect of these units" in Section 4.2 of the PEV. CD clarified wording change was made as it is a party that accedes to SS Code in respect of a unit, rather than a unit accedes to the code.
- CD noted that the RAs are currently looking into accession to the SS Code and will bring this to SEM Oversight Committee. CD invited the RAs to comment on this item.
- PH queried when does the Secondary Trading window open i.e. is it before or after the DASSA results are published? JD confirmed this window opens very soon after the DASSA results publication, as providers first need to know they have a DASSA Order. KHB added there will be a small lead time for providers to assess bids and decide on their secondary trading strategy.
- AC provided the group with an update on potential changes to dispute resolution. Considering recent Capacity Market Code (CMC) litigation, the TSOs are undertaking an internal review on the learnings. Specifically looking at what mods, if any, can help mitigate risks. Changes may be introduced to the dispute resolution section of the SS

Code, if any changes are proposed we will bring those to future working group sessions to get input. This internal review will not be finished until later this year, therefore the dispute resolution section is not finalised in the SS Code. PH questioned whether the dispute resolution wording would be the same for the T&SC, CMC and SS Code? AC responded not necessarily.

- PH noted it would be beneficial if it could cover who pays legal fees depending on outcome and that industry are engaged on this issue from an early stage. PH added that when the RAs previously proposed changes to dispute resolution wording, the changes took multiple modifications meetings to pass through.

#### **Actions from Previous Working Group Meeting**

- CD talked the group through all the actions/queries and TSO responses. No further discussion.
- CD talked the group through the Secondary Trading example, highlighted it's a purely illustrative scenario.
- PMcG query on PEV, it reads the price people submit in Secondary Trading is based on their total DASSA Order, as opposed to per MW, so it would be beneficial to clarify the price is always in MW in the final PEV. TSOs acknowledge this and will update accordingly.
- PH asks if the Secondary Trading value is traded different to DASSA clearing price, then will it fall through in settlement? JD responded the TSOs net off the Secondary Trading pricing off the DASSA clearing price so what's paid out in settlement is the sum of the two.
- BM questioned why the price of €1 was picked over €1.25 in the example. [Response provided later.]
- BM asked can service providers trade above the DASSA clearing price? As the provider would want to get out of their position and make a loss on it if that loss would be less than any compensation payment. JD confirmed that there is nothing in the design to restrict the secondary trading prices.
- JD added that collateral is the biggest outstanding piece on secondary trading.
- PH queried that Unit C takes more on but loses money, noted example should show Unit C has 35MW in table 3. PH to send over written questions on this slide.
- PL asked how it's settled at €1 and not €1.25. Noting, approaches to secondary trading price setting can vary. CD highlighted it's an illustrative example. JD added that TSOs will review this example and update the slide based on the feedback given. Noting, constraints will be applied to the secondary trading matching process e.g. for quality parameters.

**\*\* TSOs' clarification post working group:** *As defined in FR\_TRD\_7.3, the Solution must allow Service Providers to view only active unmatched Secondary 'S' Trade Orders. Essentially meaning the service providers can view the Order Book in Secondary Trading but can only see unmatched trades.*

#### **Information on Agreed Procedures**

- CD noted decision on SS Charge Recommendations is delayed so TSOs are better placed to discuss Agreed Procedures at this stage.
- DMA provided a brief overview of the inventory of agreed procedures needed to supplement the SS Code.
- Looking to have another detailed session on these in future. Agreed Procedures are formally part of SS Code but cover mechanics of how processes are covered.
- Approach taken is to align closely with Agreed Procedures in T&SC.
- PH asked if it would be simpler for participants if the numbering of both sets of Agreed Procedures (in SS Code and T&SC) are aligned. BR believed this may not be possible due to subtle differences in the codes and the fact that the codes may change.
- BM noted he agrees that numbering should be aligned.
- BM added that the TSOs are cherry picking from both codes [T&SC and CMC] to the detriment of the participants. Believes the TSOs are picking the worst parts from both codes.
- PH noted that there are fundamental differences between the TSOs and working group members on some aspects of the SS Code. PH highlighted these differences should be addressed now rather than at the end of consultation process as this could waste

resources. PH noted these differences referred to are specifically around the mods committee.

- CD acknowledged feedback and added that the working group meetings have been useful and the TSOs have updated the SS Code to reflect feedback from the Working Group. The current mods committee drafting has been agreed with the RAs. CD invited the RAs to comment on this point.

#### AOB

- CD noted that following this session the TSOs will incorporate feedback into PEV. TSOs to publish First Draft of the PEV on 31<sup>st</sup> January 2025, per PIRV2.0 roadmap. This will include meeting minutes and slides, to be shared with wider industry to highlight progress made.
- DM queried how feedback is brought in from publication of first draft, noting there is no invitation for industry to respond to the PEV in the TSOs' Cover Note. CD responded that feedback is welcomed and that preparation of PEV is iterative process, there will be further revisions to existing sections following publications of further SEM C decisions that will be included in the final PEV. CD added that TSOs will take on any feedback provided, though we are not consulting formally on publication of first PEV.
- PH asked where documents will be stored. RP clarified the SS Code Cover Note and PEV will be on the Electricity Markets section of EirGrid and SONI websites, under key publications for FASS, and the minutes and content will be published to the publications library.
- CD added invites for next code Working Group will be sent towards end of February and sufficient notice will be given.

#### Actions:

1. CD to check whether the reference to Section B.7.4.6 of T&SC is correct.  
Response: *The correct T&SC reference is Section B.7.6.4.*
2. TSOs to include caveat in PEV that the determination of zones is subject to future locational methodology consultations. Caveat may reference SEM-24-066.
3. TSOs to clarify in the final PEV that the secondary trading price is always in MW.
4. TSOs to update Secondary Trading example slide following working group feedback and share explanation with working group members.