

<b>MEETING:</b>	System Services Code Working Group Meeting #2 October 2024
<b>DATE AND TIME:</b>	2 <sup>nd</sup> October 2024 09:30-11:00
<b>PARTICIPANTS:</b>	Andrew Burke (AB), WEI Brian Mongan (BM), FERA Cian Fitzgerald (CF), Energia Harry Molloy (HM), EPUKI Helen Stack (HS), Bord Gais Energy / ESI Jon Sedgick (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) Bronagh McKeown (BMcK), UR Gavin Millar (GM), CRU Donna Maye (DM), UR Joe Deegan (JD), FASS Programme Team (EirGrid) Carole Devlin (CD), FASS Programme Team (EirGrid) Brendan O'Sullivan (BOS), EirGrid Andrew Crawford (AC), EirGrid Aidan Byrne (ABy), EirGrid Kasra Haji Bashi (KHB), EirGrid Catherine Swanson (CS), FASS Programme Team (Ext)
<b>ABSENT:</b>	Jessica Branigan (JBr), Matheson / IESA Salim Temtem, PSC Consulting Jag Basi, (JB), ESB
<b>PREPARED BY:</b>	Catherine Swanson

<b>Meeting Context</b>
FASS SS Code Working Group Meeting was held virtually. Meeting facilitated by Carole Devlin.  <b>Agenda:</b> <ul style="list-style-type: none"> <li>• Welcome and Introductions</li> <li>• Updated Work Plan (SS Code)</li> <li>• Issues arising from First Meeting</li> <li>• Registration &amp; Accession Pack</li> <li>• AOB</li> </ul>
<b>Minutes</b>
1. Work Plan

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- CD highlighted the new consultations that will be incorporated into the PEV are the Real Time Security Solution and Parameters Consultation (Price Caps, Commitments and Obligations). Timings are not set at this point.
- AB highlighted the importance of having a mechanism like Real Time Security Solution in place to allow route to market for renewable generation. Otherwise, he considers that the market would not be fit for purpose.
- PH shares that industry resources are tight and wants to ensure there's alignment between RAs and TSOs on any Real Time Security Solution to prevent wasting industry's time. CD replied that there will be a separate workstream on any Real Time Security Solution kicking off next week and it will be included also in the PIR v2.0.
- PH asked why licence modifications are not going out to consultation to the public. KHB confirms that TSO licences (EirGrid and SONI) will go out for public consultations, and this is captured in the PIR, however, other licences and consultations are under the remit of the RAs. BMcK also noted that any licence change would be consulted on.

## Market Rules & Code Development PIR V2.0 Section

- CD shares that the System Services Code Plain English Version First draft has been extended to January 2025 due to extension of DASSA Design Consultation. Second draft of the code (plain English) also added to the plan as Real Time Security Solution and Parameters consultations will not be concluded before January 2025. Second draft will incorporate these outcomes of these consultations in the code and will be completed by June 2025
- PH said the DASSA Design Decision was not only delayed due to industry's request for a 2-week extension but also SEMC decision being a month late. Combination of both presents a more accurate view of the delays.

## Ways of Working

- CD talked through provisional work schedule. Today's session is covering updated Plain English Version and next sessions will cover Auction Format of DASSA and Secondary Trading.

## DASSA Mechanics

- CD gives overview of PEV drafting dependencies on Product Review and Locational Methodology Decision Paper, Volume Forecasting Methodology Decision Paper and Parameters and Scalars Decision Paper.
- DASSA topics affected by these dependencies are Services to be procured, DASSA Volume Requirements, DASSA Bidding Structure (Bidding Format and Process, Price Caps), Volume Insufficiency, DASSA Clearing Overview, DASSA Clearing Optimisation (Valuation Functions).
- BMcK stated that SEM Oversight Committee is to issue the Decision on Product Review and Locational Methodology Recommendation Paper on 8<sup>th</sup> of October or following day.

## General

- BM questions the definitions of products, system services and services and notes glossary does not include these definitions. BO'S comments that the language is likely from European language usage, however, TSOs have noted the query and will revert to group.

## Key Updates: Legal Governance

CD notes that key changes from the PEV issued at initial meeting are highlighted in red for easier identification.

## Section 3.1.3. Jurisdiction

- AC recognises that there are some arguments from the initial meeting that favour the code being governed by Irish law e.g. familiarity of jurisdiction, reduction of overheads.

However, following further analysis, the SS codes will align with other codes and be governed by Northern Irish Law.

### **Section 3.1.5 System Services Code Hierarchy/Priority**

- AC explains that TSC sits above the SS code. TSC is more fundamental to the market and as for compliance with the codes- TSC comes first and SS code second. If the SS were to take precedence over TSC would require modification to TSC and there is no appetite to do that.
- PH in terms of priority, TSC requires to set an FPN reflective of ex ante position. Should a market participant prioritise maintain their market position in the energy market over DASSA? JD replies that a participant will know their ex-ante position before bidding into DASSA and should only bid in to DASSA with what is available with the option to bid in Secondary Trading if participant's position changes.

### **Section 3.3.1. Membership of System Services Modification Committee**

- CD details that the updates to membership committee are in line with technology types in TSC with an update to 1 generator unit representative rather than 3 as detailed in the pre-read PEV.
- BM requested clarity on the Quorum. This has been updated per revised PEV.
- HM asked what were the considerations as to why voting could not be included? CD replied as TSOs took as an action to discuss with RAs and in alignment with HLD decision - voting was carefully considered but deemed unsuitable. It was highlighted by TSOs that industry's views will be captured, documented in detail and considered by RAs in determination of modification of approval/rejection.
- HM considering power of Chairperson to halt modification progress in combination with the fact that member voting is not facilitated would dilute the point of the committee and the representation of industry's views. AB echoes concern around members having a right to vote to capture industry's view.
- GM replied that non-binding voting may be considered and that there would be further discussion with TSOs.
- PH asks how is the Chairperson appointed? CD and BOS suppose that SEM committee will select a representative from UR/CRU/EG/SONI/ESBN/NIEN. CP can add new members in case there are new technology types or any change in markets. PH expresses caution over someone coming in that has not been elected. BM echoes concern around chairperson role and suggests it should be someone coming from Regulators rather than TSO/DSO and important to clarify if Chairperson would need to abide by industry's votes.
- PH notes a change in 3.3.4- 'Chairperson opinion', expresses a timing issue with modifications as industry can spend a lot of time on a modification that the Chairperson can stop its progression and thus suggests the same process as TSC.
- BM highlights in 3.2.2 in the updated PEV in relation to roles and obligations. CD explains that this section was removed as it relates to the FAM. CD clarifies this mistakenly highlighted the whole sentence and will be amended for the next session.

### **Section 3.4.3**

- AC explains that 3 people DRB defaults to 3 members.

#### **2. Queries arising from First Meeting**

- HS referencing query 2 on EBGL, questions if the Code is capturing the updates in the codes and latest requirements. CD responds that these are being captured.
- BM highlights that TSOs response on dispute resolution board (query 13) which aligns with TSC, should be revisited as TSOs burdening the whole cost would create an incentive to come to a solution the first time. Suggests the code approach should diverge from TSC process. CD noted point and will raise with RAs and revert to group.

#### **3. Overview of Required Documentation**

- AC provides overview of contents of Accession Pack, Registration Pack and Qualification Pack. SS code will include some provisions that Services Providers cannot participate until all execution formalities have been satisfied. Service Providers to rectify any gaps without delay. These will be covered in detail in further detail in the legal drafting.
- BM question to RAs, do they see that this obligation to participate in FASS and accede to System Services Code would also been included in industry licences?
- BMcK noted that it would be beneficial for units to participate
- PH also stressed the importance of clarity in relation to mandatory or voluntary participation and stated the need to be careful of default in SS Code transferring to the Trading & Settlement and Capacity Codes.
- HM echoes concern around mandatory participation and interaction with BM and thereby compensation payment exposure. I.e. services which would been provided for free under the Grid Code can cost provider under FASS. CD noted there is no mandatory participation in DASSA.
- GM replied that RAs would take an action to clarify if Accession to Code would be mandatory.
- AB asks if existing units will be transferred over and accession, registration administrative burden would only be for new units. CD replies TSOs will minimise what is required but the outcome of product review will provide further clarity on that decision. BOS echoes that this is a new set of arrangements so may not be possible to avoid (as done with NPDRs under the S&D Programme) but will try to minimise impacts.
- PH states in relation to testing costs, that if participants are required to participate then it shouldn't be at an extra cost.
- PF requested clarity on the relationship between accession and disputes, a unit may not be a party to the code but that there should be a route to escalate disputes to DRB.

#### Actions:

1. Clarify definitions of products, system services and services- TSOs/RAs
2. Consider further if non-binding voting can be introduced- TSOs/RAs
3. Further discussion in relation to Dispute Resolution Board fees/costs- TSOs/RAs
4. Provide clarification regarding relationship for new units that have not acceded to the code that may wish to escalate a dispute to DRB. -TSOs/RAs
5. Reissue revised PEV with original redlining - TSOs
6. Provide clarification in relation to Mandatory Accession of SS Code - RAs