



Trading and Settlement Code Modifications Committee
C/O Sherine King
SMO Modifications Committee Secretariat
The Oval
160 Shelbourne Rd
Dublin 4

24th August 2011

Our Ref: D/11/13953

**SEM Committee Decision for the Regulatory Authorities in relation to Mod_19_11
(Recommendation Report FRR_19_11_V1.0)**

Dear Sherine,

On 22nd August 2011, the Modifications Committee submitted its Modification Recommendation Report with regard to a Modification Proposal, Mod_19_11 (Modifications Committee Representation) in accordance with paragraph 2.213 of the SEM Trading and Settlement Code (the Code).

This Modification Proposal, proposed by Endesa Ireland, seeks to limit representation on the Modifications Committee to one member from each company including any affiliates.

The SEM Committee notes that the Modification Committee voted unanimously that the Modification Proposal be rejected and that the Modification Proposal does not further the Code Objectives;

- to facilitate the participation of electricity undertakings engaged in the generation, supply or sale of electricity in the trading arrangements under the Single Electricity Market
- to provide transparency in the operation of the Single Electricity Market
- to ensure no undue discrimination between persons who are parties to the code.

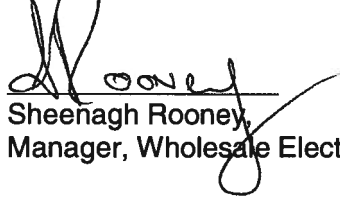
The SEM Committee further notes that the Modification requires no changes to the Central Market Systems.

In coming to a decision, the SEM Committee has given consideration to the workings of the Modifications Committee and its role as stated in the Code. In particular the SEM Committee notes Section 2.151 of the Code which states that “a member elected or appointed to represent a particular type of party shall represent the interests of the type of party it is elected or appointed to represent”. The SEM Committee therefore expects that Modification Committee members are available to discuss appropriate matters with constituent members and to represent their views at the Modifications Committee.

Further, under Section 2.153 of the Code, the SEM Committee may seek nominations from persons for appointment to the Modifications Committee should it determine that any particular type of party is not adequately represented on the Committee. The SEM Committee will continue to keep this provision under review.

Considering the above, and in accordance with paragraph 2.218 of the Code, the SEM Committee directs that a Modification should not be made in accordance with the Final Recommendation Report of the Modifications Committee (FRR_19_11_V1.0).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. ROONEY', is written over a horizontal line. The signature is stylized and includes a long, sweeping flourish that extends to the right and loops back under the text below.

Sheenagh Rooney
Manager, Wholesale Electricity Market