



An Coimisiún
um Rialáil Fóntas
Commission for
Regulation of Utilities



SEMOpX
C/O Michael Kelly
The Oval
160 Shelbourne Rd
Dublin 4

6 June 2018

Dear Michael,

On 26 March 2018, SEMOpX submitted its Modification Change Form with regard to SEMOpX rules Modification Change Form (MCF) 06_18: Liability Terms in accordance with Paragraph J.4.1.1 of the SEMOpX Rules. The proposed modification has been raised by SEMOpX to request that an additional liability term is included in the SEMOpX Rules, section G.3.2.

The Regulatory Authorities (RAs) understand that the aim of this proposal is to provide further limitations on the SEMOpX liability to the Exchange Members and sets two financial caps:

- the first applies on a per "Operational Incident" basis and is equal to the the greater of: (i) €1,000; and (ii) the Relevant Charges paid by the Exchange Member to SEMOpX in respect of the 40 days preceding the occurrence of the root cause or first event in respect of such Operational Incident;
- the second applies on an annual basis and is equal to the greater of: (i) €6,500; and (ii) one third (1/3rd) of the Relevant Charges paid by the Exchange Member to SEMOpX in the year that the liability arises.

The modification proposes incorporating these amendments under clauses G.3.2.5 of the SEMOpX Rules to cater for this requirement. The modification also provides definitions for "Operational Incident" and "Relevant Charges".

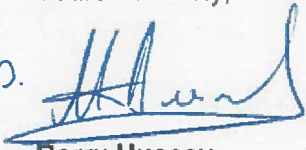
SEMOpX rules MCF_06_18 was recommended for approval by the SEMOpX.

Having considered the proposal and reviewed the market participants' feedback, the RAs would like to request further clarification by SEMOpX to be provided to the RAs on the matters as outlined below before providing their decision on the modification:

- SEMOpx to clearly articulate the necessity for more than one cap;
- SEMOpx to elaborate further why the proposed caps are appropriate;
- SEMOpx to explain in more details the rationale behind the applied formula underpinning the proposed caps.

If you have any queries regarding the information contained within this letter please contact matanasova@cru.ie.

Yours sincerely,

p.p. 

Barry Hussey,
Manager
Wholesale Electricity Markets