

SEMOPX MODIFICATION PROPOSAL FORM			
Proposer (Company)	Date of receipt (assigned by Secretariat)	Type of Proposal (delete as appropriate)	Modification Proposal ID (assigned by Secretariat)
SEMOpX	20 <sup>th</sup> April 2022	Standard	SPX_01_22
Contact Details for Modification Proposal Originator			
Name	Telephone number	Email address	
Amy Yeung		<a href="mailto:Amy.Yeung@Eirgrid.com">Amy.Yeung@Eirgrid.com</a>	
Modification Proposal Title			
Updates to SEMOpX Operating Procedures as a result of an extension of the Trading on Behalf process to the IntraDay 1, 2 and 3 Auctions.			
Documents affected (delete as appropriate)	Section(s) Affected	Version number of SEMOpX Rules or Operating Procedure used in Drafting	
SEMOpX Operating Procedures	G.3 Trading on Behalf	Version 3.0	
Explanation of Proposed Change (mandatory by originator)			
<p>This modification proposes to update the SEMOpX Operating Procedures to include the Intraday Auctions in the Trading on Behalf process.</p> <p>The Trading on Behalf (ToB) process is currently only available for the Day-Ahead Market auction (SDAC), which leaves a SEMOpX member with no option to make submissions if they encounter connection issues and cannot connect to the trading system to submit bids/offers for the Intraday Auctions. Therefore, the extension of the Trading on Behalf process is proposed to the Intraday Auctions 1, 2 and 3 in addition to the Day-Ahead Market (SDAC). The expected Go-Live date is 10th of January 2022.</p> <p>The updates are limited to the operating procedure. No updates to the main SEMOpX Rules document or SEMOpX Rules Glossary are seen as necessary.</p> <p>A brief summary of the SEMOpX Operating Procedure change is provided below:</p> <p><u>SEMOpX Operating Procedures</u>  Section G.3.1.2 – Added a new section in relation to Trading on Behalf in the Intraday Auctions.  Sections G.3.1.3, G.3.1.4 &amp; G.3.1.5 subsequently updated to reflect new section G.3.1.2 added.</p>			
Legal Drafting Change (Clearly show proposed change to SEMOpX Rules (including Appendices and Operating Procedures) using <b>tracked</b> changes, if proposer fails to identify changes, please indicate best estimate of potential changes)			
The section of the document (G.3) with changes tracked as shown below:			

### **G.3 TRADING ON BEHALF**

G.3.1.1 Where there is a connection failure or in case of any other technical or functional problem that prevents an Exchange Member placing Orders in a Day-ahead Auction, the Exchange Member can request SEMOpx to submit an Order on behalf of the Exchange Member.

~~G.3.1.2~~ Where there is a connection failure or in case of any other technical or functional problem that prevents an Exchange Member placing Orders in an Intraday Auction, the Exchange Member can request SEMOpx to submit an Order on behalf of the Exchange Member.

~~G.3.1.2~~ G.3.1.3 Where there is a connection failure or in case of any other technical or functional problem that prevents an Exchange Member placing, modifying or cancelling Orders in the intraday continuous market, the Exchange Member may request SEMOpx to submit, modify or cancel an Order on behalf of the Exchange Member.

~~G.3.1.3~~ G.3.1.4 When submitting a request under paragraph G.3.1.1, G.3.1.2 or ~~G.3.1.2~~ G.3.1.3, the Exchange Member shall transmit the Order, modification or cancellation (as applicable) to the email address nominated for this purpose by SEMOpx.

~~G.3.1.4~~ G.3.1.5 SEMOpx may decline a request under paragraph G.3.1.1, G.3.1.2 or ~~G.3.1.2~~ G.3.1.3 if SEMOpx considers that the technical and/or operational situation renders it unable to give effect to the request.

~~G.3.1.5~~ G.3.1.6 Where SEMOpx has not declined a request under paragraph ~~G.3.1.4~~ G.3.1.5, SEMOpx shall use reasonable endeavours to carry out the request. However, SEMOpx shall not be liable for any failure to do so or error in doing so.

#### **Modification Proposal Justification**

*(Clearly state the reason for the Modification)*

The extension of the Trading on Behalf process to the Intraday Auctions would allow SEMOpx members a fallback process to continue to trade in the Intraday Auctions if their connection to the trading system fails or a technical problem that prevents the member from placing orders. There is currently no other option for SEMOpx members to submit orders for the IDA1, IDA2 and IDA3 auctions in the event of connectivity issues to the Trading System (ETS).

This will align the Trading on Behalf process across all auctions.

#### **SEMOpx Objective and SEMOpx Principles Furthered**

*(State the SEMOpx Objective and Principles the Proposal furthers, see Section A.1.2 of the SEMOpx Rules for further details)*

The principles of the SEMOpx rules are:

**A.1.2.1** *These SEMOpx Rules are designed to facilitate achievement of the following objective (the “SEMOpx Objective”):*

- (a)** *That participation and trading in commercially viable and sustainable product offerings in the SEMOpx day-ahead and intraday markets meets the needs of current and prospective Exchange Members, and promotes the long-term interests of consumers.*

**A.1.2.2** *The SEMOpx Objective is supported by the following principles: that the SEMOpx Rules should:*

- (a)** *enable compliance with the regulatory requirements of the European Union, Ireland and Northern Ireland;*
- (b)** *promote competitive outcomes through provision of efficient and effective exchange services;*
- (c)** *conform with regional and European-wide arrangements for Market Coupling;*
- (d)** *be transparent, not unduly discriminatory, and promote market integrity and confidence;*
- (e)** *reflect the system design and capabilities and service provider arrangements;*
- (f)** *provide Exchange Members with opportunities to be consulted on changes to SEMOpx Rules and Procedures; and*
- (g)** *promote data security, integrity and confidentiality, being the “SEMOpx Principles”.*

This modification proposal furthers the SEMOpx Objective (a) and SEMOpx Principles (b) and (e) above by ensuring:

- the participation and trading in commercially viable and sustainable product offerings in the intraday markets meets the needs of current and prospective Exchange Members and promotes the long-term interests of consumers
- promotion of competitive outcomes through provision of efficient and effective exchange services by extending the Trading on Behalf service to all auctions
- the SEMOpx operating procedures reflect the additional services provided by the Exchange

#### **Implication of not implementing the Modification Proposal**

*(State the possible outcomes should the Modification Proposal not be implemented)*

If this modification is not implemented and in the event where SEMOpx members have connectivity issues and cannot connect to the trading system to submit their orders for the IDA1, IDA2 and/or IDA3, members will have no other option to make or update their submissions. The lack of a ToB fallback process in the IDAs means that members will not be able to adjust their orders prior to orderbook closure in any intraday auctions (for example if a unit trip/failure was to occur or anticipated to occur) and members are limited to using the Trading on Behalf option in the Intraday Continuous Market. This inability to adjust/update their orders via the intraday auctions, including IDA1 and IDA2 which are the only cross-border auctions available, could result in financial impacts to the affected members.

#### **Impacts**

*(Indicate the impacts on systems, resources, processes and/or procedures; also indicate impacts on any other Market Code such as Trading and Settlement Code, Capacity Market Code, Grid Code, Exchange Rules etc.)*

- The SEMOpx Operating Procedures require an update (this modification). There is no foreseen update to the associated SEMOpx Rules or SEMOpx Rules Glossary as the changes are limited to the Operating Procedures.

- SEMOpX will need to update member training materials and website content.
- SEMOpX will receive the new ToB forms from EPEX and publish to the SEMOpX Website.
- SEMOpX will communicate effective date and publication location to Members
- SEMOpX Members will need to familiarise their teams with the ToB process for IDAs
- No updates to trading systems are required

***Please return this form to Secretariat by email to [exchangecommittee@semopx.com](mailto:exchangecommittee@semopx.com)***

### 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 SEMOpx Objective and Principles to enable it to be fully considered by the Exchange Committee.
3. Each Modification Proposal will include a draft text of the proposed Modification to the SEMOpx Rules.
4. For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:

**Modification Proposal:** means the proposal to modify the SEMOpx Rules and / or Operating Procedures 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

**SEMOpx:** has the meaning assigned to it in the glossary to the SEMOpx Rules

**SEMOpx Rules:** means the rules, including the Appendices and Procedures, as amended from time to time or otherwise modified in accordance with those SEMOpx rules.

**SEMOpx Exchange Committee or "the Exchange Committee":** has the meaning assigned to it in SEMOpx Rules.

**Regulatory Authorities:** has the meaning assigned to it in the SEMOpx Rules.

In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the SEMOpx Rules and Exchange Committee Procedures 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 SEMOpx and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;
  - 1.2 to the Regulatory Authorities, the SEMOpx Exchange Committee and each member of the Exchange 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 SEMOpx Rules;
  - 1.3 to SEMOpx and the Regulatory Authorities to incorporate the Modification Proposal into the SEMOpx Rules;
  - 1.4 to all Parties to the SEMOpx Rules and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the SEMOpx Rules or otherwise, for any purpose arising out of or in connection with the SEMOpx Rules.
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 SEMOpx Rules 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 not be supported by the Exchange Committee, may be rejected by SEMOpx and / or the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the SEMOpx Rules.