



## Submission Report

### SPX\_03\_21 Updates to SEMOPx Operating Procedures as a result of an increase in the Maximum Intraday Auction Price

#### 1 EXCHANGE COMMITTEE MEETING 5

Proposer SEMOPx

The Proposer gave a background on this Modification noting that this was initially suggested by the GB NEMOs that operate as part of the Intraday Regional Auctions (IDA1 and IDA2) based on the significant increases in wholesale electricity prices that is currently being seen, and that the existing price caps were not allowing members to trade to sufficient levels in the Intraday Auctions.

Based on recent information from discussions with other Intraday Auction power exchanges, SEMOPx provided details on the proposed timelines for implementation of the change. The target go-live date, being the 9<sup>th</sup> December 2021, after the IDA1 on that day had completed and before IDA2 for the following morning. This implementation within 4-5 weeks was to ensure that the new price caps were implemented prior to Christmas period system freezes and to ensure they were in place during the height of the winter period.

SEMOPx noted that the proposed timelines were in line with the agreed operating procedures between the power exchange that apply to both the DAM and IDAs.

A number of members stated that they did not oppose the principle of the Modification but had concerns about how it would be implemented, the timelines and the lack of clarity around the technical specification of the proposal.

There was agreement from the Members that further information on implementation should be provided by SEMOPx that would give a better understanding of the extent of the changes needed and hence whether the timelines were feasible for members.

A discussion also occurred about whether the change in price caps related to IDA1 and IDA2 only, or also IDA3. After some discussion around this the general consensus was that applying the price caps consistently to all through auctions was preferred. It was confirmed that the wording in the medication as drafted meet this requirement of applying to IDA1, 2 and 3 already so no change to the text was required.

Agreement to vote on the modification was reached subject to the submission report specifying the following requirements being met prior to the actual implementation timeline being confirmed.

These requirements were:

- SEMOpx to provide technical specifications prior to a meeting on the 18<sup>th</sup> November 2021, in order for members to evaluate with their vendors the impact of the change in price cap and the realistic timelines for implementation.
- Further engagement to take place with SEMOpx Members on Thursday 18<sup>th</sup> November, 2021 to understand better the technical changes needed and agree the realistic timeframes for an implementation.
- Testing plan to form part of the implementation process with at least 1 weeks testing provided

It was suggested by an Exchange Member that the follow up discussion on timelines for implementation and the technical changes required should be extended to a wider member base than the Exchange Committee. SEMOpx agreed to setup the meeting and issue a market messages providing details to a wider audience.

This Modification was supported unanimously by the Committee subject to the above criteria.

After Exchange Committee meeting, SEMOpx took the necessary steps to fulfil the requirements regarding the confirmation of the implementation timeframe.

These steps included:

- 1) Details of the technical changes required by members were published on the 15<sup>th</sup> November via market message.
- 2) A meeting was organised and communicated through market messages for the 18<sup>th</sup> November 2021 to discuss the changes and impacts, the implementation details and timeline for implementation with the wider member base. The outcome of the meeting was that there were no objections aired with proceeding with the implementation of the price change from the 15<sup>th</sup> December 2021.
- 3) A market message was issued on the 18<sup>th</sup> November 2021 after the meeting to provide formal notification of the implementation date and availability of test environments etc.

## 2 LEGAL DRAFTING

As set out in the legal drafting section of [SPX\\_03\\_21 v2](#).