



SEM Committee Meeting

Minutes Meeting No. 199

Location: CRU offices, Dublin

Date: Thursday 30th November 2023

Member attendees:

Commission for Regulation of Utilities (CRU): Jim Gannon, Aoife MacEville
Utility Regulator (UR): Bill Emery (meeting Chair), Jon Carlton, John French
Independent members: Jonathan Hodgkin, Chris Harris (Deputy)

In attendance:

For all items: John Melvin (CRU), Colin Broomfield (UR), Kevin Shiels (UR)
For items 3 – 5: Marie Therese Campbell (UR), Emer Gerrard (CRU), Andrew Chattrabhati (ESP Consulting), Ciaran Breen (UR), Jean Pierre Miura (UR), Damhnait Gleeson (CRU), Elvis Sebastian (CRU)
For item 5 (part only): Rodney Doyle (EirGrid), Michael Behan (EirGrid), Diarmaid Gillespie (EirGrid), Errol Close (EirGrid), Alan Campbell (SONI), Emma Morris (SONI), Kevin O'Neill (SONI)
For item 6: Robert O'Rourke (CRU), Dylan Ashe (CRU), Bronagh McKeown (UR), Lauren Skillen Baine (UR), Marie Therese Campbell (UR),
For item 7: Professor Janusz Bialek
For item 8: Bryan McGreal (UR), Brian Mulhern (UR)
For item 10c: Barry Hussey (CRU)

Apologies: None

Minutes: Barbara Stevenson (SEMC Secretariat)

Declarations of interest: None

1. Approval and adoption of the agenda

The agenda was approved and adopted.

2. Review and approval of minutes from meeting 198, Thursday 26th October 2023

The minutes from SEM Committee meeting 198, Thursday 26th October 2023 were approved subject to minor amendments.

3. Supplementary consultation paper on modified and combined modifications to facilitate delivery of capacity

Emer Gerrard presented background detail of proposed Capacity Market Code (CMC) modifications to deliver a more cohesive overall approach to managing risks associated with delivering multi-year new capacity. A summary of consultation responses was outlined alongside feedback from the TSOs and the RA analysis of points raised provided.

The Committee considered the impact on relevant impacted capacity and feedback from market participants in relation to new capacity development. Applicability to relevant auctions was considered and agreed noting the Committee would review applicability for auctions after 2024.

The Committee approved the proposals and delegated authority to the Oversight Committee to finalise the decision paper for publication to include editorial amendments suggested.

4. Substantial financial completion extension request

The Committee considered and approved a substantial financial completion extension request as presented.

5. CRM T-4 2027/2028 capacity auction results

Ciaran Breen provided an overview of the CRM T-4 2027/2028 capacity auction results. Detail of the auction clearing price, auction costs and awarded capacity were presented. Successful capacity by constraint area, fuel mix of the capacity and the level of new capacity secured was detailed. Comparison with previous auctions was noted.

The Committee discussed applicants that did not qualify, qualified capacity that did not bid in the auction, shortfall in capacity secured and market implications. The Capacity Auction Monitor report was discussed and approved.

The TSOs joined the meeting and presented their technical assessment of the auction including detail of auction results and outcomes. The TSO view of possible next steps was explored and the need to work together to address the capacity shortfall was stressed.

The Committee approved the T-4 2027/2028 capacity auction results and issuing of the approval letter to the system operators subject to editorial amendments discussed. Options for next steps are to be brought to the Committee for further discussion and agreement.

6. System services phase III detailed design and implementation

Dylan Ashe presented an overview of the system services phase III detailed design decision proposals as circulated. The phased implementation roadmap was summarised and project progress detailed.

Specific decision proposals were discussed including timing of the system services code, system services charge, product review, volumes reporting methodology and layered procurement framework. The extension of regulated arrangements and development of a stakeholder project panel were outlined.

The Committee discussed potential barriers to progress and stressed the importance of effective project management to ensure project delivery.

The Committee approved the system services phase III detailed design and implementation phased implementation roadmap as presented.

7. Professor Janusz Bialek briefing

Professor Janusz Bialek provided a briefing on fault currents and power system operation as relevant to the SEM.

8. MMU update

The Committee noted the MMU update as circulated. Bryan McGreal provided further detail on day-ahead market prices, demand, wind volumes, commodity prices and interconnector activity during October. SEM GB price spread, imperfection costs and carbon costs were discussed.

Brian Mulhern provided an update on ongoing MMU investigations.

9. FWP update

The Committee noted the update on the publication of the October 2023 – September 2024 FWP.

10. Updates

(a) SEMC communications and governance update

Barbara Stevenson updated the Committee on recent communication activities.

(b) CRU/UR/Independent Members

Jim Gannon provided an update on the Dublin Citizen's Energy Forum, government financial support measures, inframarginal rent cap legislation and regulatory framework, the finalisation of the gas price control PC5, the commencement of the new electricity price review PR6, CRU recruitment and representation at a number of Joint Oireachtas Committees.

John French provided an update on the NI political context, UR vires, NIE Networks price control RP7, biomethane injection to the NI grid and smart metering.

(c) Legal update

A verbal update on legal matters was provided including detail of a recent judicial review decision.

11. Review of actions from SEMC meeting 198, Thursday 26th October 2023

The Committee discussed open actions.

12. SEMC correspondence

The Committee discussed recently received correspondence.

13.AOB

None.



Signed: _____

Bill Emery, SEM Committee Chair