

SEM COMMITTEE: PROPOSED RULES and PROCEDURES

Establishment:

The SEM Committee in Ireland and Northern Ireland is established by virtue of section 8A of the Electricity Regulation Act 1999 (the Act) and Article 6 (1) of the Electricity (Single Wholesale Market) (Northern Ireland) Order 2007 (the Order), respectively.

Membership: The membership and general terms of reference of the SEM Committee shall be in accordance with Schedule 1A of the Act and Schedule 2 of the Order. For the avoidance of doubt, each individual appointed to the SEM Committee by the Irish Minister and the Department of Enterprise Trade and Investment shall be known as a SEM Committee Member. Each SEM Committee Member shall be further sub-categorized where appropriate to do so for the purposes of this document, according to which of the three voting parties (the SEM Committee Voting Parties) they belong, as follows:

A CER SEM Committee Member (any individual appointed from the membership of the Commission for Energy Regulation and who together with all other such individuals, comprises the CER Voting Party (the CVP))

A NIAUR SEM Committee Member (any individual appointed from the membership or staff of the Northern Ireland Authority for Utility Regulation who together with all other such individuals, comprises the NIAUR Voting Party (the NVP))

An Independent SEM Committee Member (the individual and his or her deputy, who singularly shall comprise the Independent Voting Party (the IVP) as circumstances require).

The SEM Committee Voting Parties shall therefore comprise the CVP, the NVP, and the IVP.

Functions: The primary function of the SEM Committee is:

- The taking of any decision as to the exercise of a relevant function of the Commission for Energy Regulation (the Commission) or the Northern Ireland Authority for Utility Regulation (the Authority) in relation to a SEM matter on behalf of the Commission and the Authority by the SEM Committee as the case may be;

For the purposes of the Act and Order a matter is a SEM matter if the SEM Committee determines that the exercise of a relevant function of the Commission or Authority in relation to that matter materially affects, or is likely materially to affect, the Single Electricity Market.

RULES and PROCEDURES

MEETINGS:

1. The SEM Committee shall meet sufficiently regularly to discharge its duties effectively. The SEM Committee shall hold formal meetings no less than ten times a year which meetings shall usually be held on or about the same time and date each month
2. The SEM Committee shall determine its schedule of formal meetings for each calendar year in advance, which schedule shall serve as notice to all SEM Committee Members as to the time and date of its formal meetings. The SEM Committee shall reserve its right to hold extraordinary meetings, or change the time, date or location of a scheduled meeting, as circumstances require. Should there require to be any changes to the date or time of a meeting then the Secretariat will endeavour to provide 10 working days notice of any such change.
3. Extraordinary meetings can be held on no less than 24 hours notice (short notice) but only if such short notice is validated upon ratification by the SEM Committee meeting called on short notice by a simple majority of SEM Committee Voting Parties.
4. One CER SEM Committee Member and one NIAUR SEM Committee Member or one CER SEM Committee Member and the Independent SEM Committee Member¹ or one NIAUR SEM Committee Member and the Independent SEM Committee Member shall form a quorum.
5. The position of Chairperson shall rotate among the three SEM Committee Voting Parties every six months. The Committee will also appoint a Vice Chairperson. If the Chairperson is not present within fifteen minutes of the start of any meeting, the Vice Chairperson will be the Acting Chairperson, and in the absence of the Vice Chairperson, those SEM Committee Members present shall appoint one of their number to fulfil the role of Acting Chairperson for that meeting. (For the avoidance of doubt, subsequent references to Chairperson in this document shall read as Acting Chairperson as appropriate)
6. The Secretariat shall be responsible for the circulation of a draft agenda two weeks prior to a SEM Committee meeting. The draft agenda should be agreed a week in advance of the relevant meeting and the agenda agreed and adopted at the start of each meeting.

¹ Unless the circumstances dictate otherwise, reference to the Independent Member shall be deemed to refer also to the Deputy Independent Member as appropriate.

7. The SEM Committee Secretariat (the Secretariat) is responsible for administrative support of the SEM Committee, including drawing up, in consultation with the Chairperson, the draft agenda, drafting of minutes of previous meeting, preparation and management of action list and administration of all other relevant papers.
8. The Minutes of any meeting of the SEM Committee shall be a formal record of the proceedings and shall record any determination or decision taken, and if requested, a note of any dissenting view expressed by a SEM Committee Voting Party.
9. Papers for SEM Committee meetings shall be submitted to the Secretariat, where feasible, no later than 1pm on the fourth working day prior to the meeting. All papers must be accompanied by a covering note:
 - Explaining whether the paper is a decision paper, a consultation paper or information paper; and
 - Confirming the relevant approval processes has been followed.

In the case of a decision paper, the covering note shall set out:

 - The reason for the decision;
 - Who has been involved in the particular matter or consulted both within and without the Commission and Authority; and
 - A brief summary of the contents of the paper, including an executive summary.
10. Papers for the meetings shall be submitted to the SEM Committee by the Secretariat, where feasible, no later than 5pm on the fourth working day prior to the meeting. However, in exceptional circumstances, the relevant papers may be submitted at any time up to and including the day of the meeting and shall be issued to the SEM Committee Members as soon as they become available.
11. Papers not provided to SEM Committee Members in advance of a meeting of the SEM Committee may be tabled at that meeting with the permission of the Chairperson.
12. The Secretariat shall send notice of a meeting, together with all papers to all SEM Committee Members and shall use reasonable endeavours to ensure their receipt, however the failure of a SEM Committee Member to receive notice of a meeting, or any papers relating to the meeting, shall not invalidate that meeting or any business transacted at that meeting unless all Commission Members, all Authority Members or the Independent and Deputy Independent Members do not receive such notice or papers.
13. Any matter on the agenda for a SEM Committee Meeting may be decided outwith such meeting by written resolution signed or accepted by email by all SEM Committee Members. A resolution in writing signed by all the SEM Committee Members shall be valid and effective for the purposes of discharging any function requiring a determination of the

SEM Committee. All such resolutions shall be treated as if the relevant resolution had been passed at a duly convened meeting of the SEM Committee.

14. For the avoidance of doubt, a person shall be treated as being present at a meeting if they can hear and be heard by all those participating in the meeting.
15. Written comments on agenda items, (including written expressions of approval or rejection of proposed decisions) submitted by any SEM Committee Member who is not present when a particular agenda item is discussed may be circulated to those SEM Committee Members who are present, and read out, if deemed appropriate by the Chairperson.
16. Papers shall be prima facie treated as confidential and falling within the ambit of the general restriction on the disclosure of information under relevant legislation unless otherwise deemed to be the case.
17. The SEM Committee may require the presence at any meeting of an individual or individuals to speak or to give a presentation to particular items on the agenda.
18. Unanimous decisions may be taken either (i) by agreement of all SEM Committee Members whether present at a meeting or not (ii) by agreement of all SEM Committee Members present at a meeting.
19. While the SEM Committee will endeavour to reach a determination by consensus a simple majority of SEM Committee Voting Parties will determine decisions in the event that SEM Committee Members (present at a meeting) are not unanimously agreed as to the outcome.
20. If a vote is tied for any reason, the decision shall be postponed until the next SEM Committee meeting. There is no casting vote.
21. Decisions which are deemed urgent by a simple majority of the SEM Committee Voting Parties can be decided upon via an extraordinary meeting as required.
22. The notification of an extraordinary meeting to other SEM Committee members is the responsibility of the Chairperson by instruction to the Secretariat. This extraordinary meeting must take place a minimum of 24 hours after any previous SEM Committee meeting.
23. Each meeting agenda shall include a standing item where each SEM Committee Voting Party updates the other SEM Committee Voting Parties on significant developments.

24. A SEM Committee decision (whilst legally effective from the moment of its making) is confirmed for formal record by approval and signature (by the Chairperson) of the minutes of the meeting at which the decision in question was taken.
25. All SEM Committee documents should follow a standard format and house-style as approved by the SEM Committee.
26. Minutes of the SEM Committee meeting are approved if a simple majority of SEM Committee Voting Parties agree. Copies of the minutes shall normally be circulated by the Secretariat within three working days following the SEM Committee meeting at which they were approved.
27. The SEM Committee may publish information which it deems necessary to publish and which has been previously approved at a SEM Committee meeting (subject to the application of rules on disclosure and confidentiality). Such information may then be published on the All-Island Project/CER/NIAUR websites, or in such other manner as agreed upon by the SEM Committee.
28. All SEM Committee Members shall on appointment, or as soon as practicable thereafter, complete a register of interests which shall be maintained by the Secretariat. Thereafter the SEM Committee Member shall update the Register of Interests as and when appropriate.
29. The SEM Committee Member shall certify each March that the entries contained in the Register of Interests are a full and correct register of the Member's Interests.
30. The Register of Interests shall be held as confidential by the Secretariat.
31. A SEM Committee Member shall have no part in any vote on any matter in which he has, directly or indirectly, an interest which is material or relevant to any matter being considered by the SEM Committee.
32. A SEM Committee Member shall not be counted for the purpose of determining a meeting quorate in relation to a particular matter on which he is not entitled to vote. Nothing in this paragraph shall affect the validity of anything done by the SEM Committee.

APPROVALS

33. In addition to decisions as to the exercise of a relevant function of either the Commission or the Authority in relation to SEM Matters, the following items, shall require the approval of the SEM Committee:

- The annual budget for the SEM Committee.
- The annual SEM Committee work plan in relation to SEM Matters and such other matters as may be deemed necessary by the SEM Committee and which fall under their relevant functions in the legislation.
- All items of capital and operating expenditure which do not have a budget provision in any particular year

34. The SEM Committee may at any time consult with (or hire, as appropriate): any representative of the CER or the NIAUR; professional or other advisors; or any advisory bodies, consumer and industry groups and other stakeholders as it considers appropriate in relation to the business of the SEM Committee.

GENERAL:

35. The SEM Committee may amend its rules and procedures from time to time as it sees fit.

36. The Committee may establish sub-committees which may include persons who are not SEM Committee Members. Sub-committees or named individuals (normally comprising senior staff members of either of the regulatory authorities) may be authorised by the SEM Committee to carry out a function on its behalf on a concurrent basis. Such authorisations and delegations of function shall be provided for either by a specific decision as minuted by the SEM Committee or more generally in a Scheme of Delegation which document shall be revised from time to time. Sub-committees or named individuals cannot sub-delegate without SEM Committee approval.

37. Sub-committees created by the SEM Committee may be standing sub-committees or ad-hoc sub-committees and shall be subject to such provisions as to their scope of activity and such rules of procedure as the SEM Committee in its absolute discretion may from time to time impose. Sub-committees must be composed of Members or members of staff from either the Commission or the Authority.

38. Responsibility for the implementation and execution of SEM Committee decisions and the delivery of subsequent related actions shall normally rest in the first instance with the

leading executive officers within each of the regulatory authorities as the case may be. It shall be open to the SEM Committee to choose a different course of action (by nominating any SEM Committee Member, sub-committee member or any member of staff within the regulatory authorities) as agreed with the leading executive officers where appropriate.