

SEM Committee Meeting

Draft Minutes Meeting No. 14

Location: NIAUR, Belfast
Date: 26th Feb. 2009
Time: 10.30 – 2.30 pm

Attendees: Tom Reeves (CER), Michael Tutty (CER), Dermot Nolan(CER), Iain Osborne (NIAUR), Dermot MacCann (NIAUR), Alan Rainey (NIAUR), Ignacio Perez-Arriaga(Chairman), Jose Sierra.

In attendance: For all items Eugene Coughlan(CER)
For Agenda Item 4a, Sheenagh Rooney(CER)
For Agenda Item 4b, Kevin O Neill(NIAUR), Tanya Wishart(NIAUR)
For Agenda Items 4c, 6 Kevin O Neill(NIAUR), Juliet Corbett(NIAUR), Dave Naughton(CER), Sheenagh Rooney(CER).
For Agenda item 4d, JP Irvine(NIAUR)
For Agenda Item 5, Paul Bell(NIAUR), Andrew McCorriston(NIAUR)

Minute Taker: Paul O Neill (CER)

1. Adoption of agenda

Agenda adopted.

2. Approval of Minutes.

Minutes of the meeting of 29th Jan. 2009 were approved subject to minor edit.

3. Review of Action List.

Item 58,67,71,72,74 closed, 60,70, 73 remain open.

4.a SEMC Annual report. SR

The report was well received by the Committee who felt that overall the scope of the report and the content were well balanced. The Committee suggested the Forward of the document should be looked at again to set out more clearly the very positive achievements in the SEM market in its first year of operation. This should be supported by the appropriate technical analysis. Comparisons with the BETTA market should be looked at again for clarity. The Committee will forward any edits to the drafting team.

Action; The report to be updated and circulated for approval. SR.

4.b CPM Medium term review. KON/TW

KON took the meeting through a proposal to review certain elements of the CPM methodology. It is not the intention of the SEM Committee to look at the validity of the CPM but rather at certain aspects of its implementation including, how it is meeting its current objectives, impact of CPM on customers, treatment of wind and interconnectors, incentives for generators etc. Following discussions it was agreed that a consultation paper will be prepared.

4c SEMO Quarterly Report. KON

KON talked the meeting through the quarterly report. He indicated that SEMO had received a clean audit report. He also indicated that good progress was being made on the Market System Development Plan(MSDP) and that it was likely to come in under budget. Discussions are taking place with SEMO in relation to the introduction of KPI's for their operation.

4d Eirgrid and SONI modification. JPI.

Following an update by JPI the SEM Committee;

- (i) notes and has due regard to the responses received to the recent consultation on the proposed regulatory licence changes in respect of the relevant SONI and EirGrid licences;
- (ii) confirms that (having regard to the SEM Committee's relevant statutory duties) the SONI and EirGrid licence modifications shall be made and shall take effect from 2nd March 2009;
- (iii) agrees to the publication of a short Decision document which sets out the SEM Committee's conclusions and reasons for making the licence modifications;

Action; Publish Eirgrid/SONI decision document.

5. MMU Update. AMcC/PB

AMcC updated the meeting on the market performance since the last meeting.

6. Update on TSC Modifications SR/DN

SR/DN gave a presentation reviewing the work in 2008 and the likely work in 2009. 68 modifications were proposed in 2008 the majority of which were proposed by SEMO and had to do with the improvement of processes. Significant work will be undertaken in 2009 including, technical offer data, dual rated generators, treatment of wind, and interconnector trading.

7. Reporting of the decisions of the Oversight Committee. PON.

Decisions were noted by the Committee.

8. Updates CER/NIAUR/Independent members

9. AOB

BNE Calculation Methodology. KON.

A proposed consultation in relation to stabilisation options for the BNE calculation was approved for publication subject to minor edits.

Date of next meeting: 26th March, 9.30 TO 3.00pm , Dublin.