

SEM Committee Meeting

Minutes Meeting No. 23

Location: Dublin.
Date: 24th Nov. 2009
Time: 9.30 – 1.00 pm

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

In attendance:

For all items Eugene Coughlan (CER), Shane Lynch (NIAUR)
For Agenda Item 4a. Sheenagh Rooney(CER), Juliet Corbett(NIAUR)
For Agenda item 4b. Cathy Mannion(CER), Juliet Corbett(NIAUR)
For Agenda item 4c. Cathy Mannion(CER), Juliet Corbett(NIAUR), Denis Cagney(CER)
For Agenda item 6. Sheenagh Rooney(CER), Dana Kelleher(CER)

Minute Taker: Paul O Neill (CER)

1. Adoption of agenda

Agenda adopted.

2. Approval of Minutes.

Minutes of the meeting of 27th Oct. 2009 were approved.

3. Review of Action List.

Item 97, 98, 100, 101, closed, 102 ongoing.

4.a SEMO IT Resources JC

JC took the meeting through the main points of the submission from SEMO. DN asked to see a copy of the detailed business case submitted by SEMO, which JC will forward. In relation to the cap on the all-in cost this was confirmed at €75k by the Committee.

DN was delegated authority to approve the submission or otherwise on review of the detailed business case.

Action: JC to forward business case for DN approval.

4.b Locational Signals. CM/JC

JC gave the background to the paper by the System Operator. The consultation paper covers both TUoS and TLAF's. There was some discussion on the merits of locational signals. IPA outlined three objectives for TLAF's which are to promote efficient location, reduce uncertainty and facilitate efficient dispatch. While the paper addresses these issues it was felt that there are other options that could be considered and these will be feed back during the consultation process to the system operator. IPA also had comments on the methodology for TUoS calculation and these will also sent for consideration by the team and the SO.

The paper was approved as is for publication subject to it having a cover note from the RAs indicating we are open to other options.

Action; Prepare memo and publish paper. Feed comments back to SO. JC/CM.

4.c Retail Deregulation and SEM. CM

CM briefed the meeting on CER's proposed framework for retail deregulation in ROI. This included the rationale for deregulation, criteria for a competitive market, international precedent, and the scope of the deregulation. The timelines for the consultation process were also set out. CM outlined that any subsequent integration was not the subject matter of this consultation.

The update was noted by the Committee including the publication timelines.

DC spoke to the issue of what is a "SEM matter". He drew on the MoU of 2006, the relevant function test, and the materiality of the matter being considered.

The Committee asked that papers be developed for the January meeting on where jurisdiction lies on ESB integration. These to cover the following:

Matters of law (CER/NIAUR legal advisers to lead, drawing on S&W if necessary). This part to draw on work already in hand to establish a process for determining jurisdiction.

If an issue might have a material impact on the SEM, but is equally capable of resolution in a way that does not, is it a SEM matter?

How does the integration question relate to the matters outlined in the inter-governmental MoU, especially in the area of market power and ringfencing.

Quantify the material impact of any integration/reintegration on the SEM.

Action Develop the legal view on SEM matter. DC/JPI/LS
Develop paper on material impact. CM/SL

5. MMU Update. PB/CB

MMU update was noted by the Committee.

6. Update on TSC Modifications

SR/DK took the meeting through the highlights of the TSC Modifications update.

There are currently two working groups looking at global aggregation and loss adjusting the commercial offer data (cod). The final report on the dual fuel modification should go to the SEMC early next year. SR indicated that the software development work program for 2010 was already full for 2010 and the Committee noted this has implications for its Forward Work Programme.

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

Decisions were noted by the Committee.

8. Updates CER/NIAUR/Independent members

9. AOB

Date of next meeting: SEM Committee 26TH Jan. 10.00 – 3.00 NIAUR Offices