

SEM Committee Meeting

Minutes Meeting No. 98

Location: CER Offices, Dublin

Date: Thursday, 29 October 2015

Time: 9.30am – 16.00pm

Attendees: Jenny Pyper (JP) (Utility Regulator) (UR) (SEMC Chair), Bill Emery (BE) (UR), Garrett Blaney (GB) (CER), Paul McGowan (PMcG) (CER), Aoife MacEivilly (AMacE) (CER), Odd Håkon Hoelsæter (OHH) (Independent Member), Professor David Newbery (DN) (Deputy Independent Member)

In attendance:

For all Items: Jo Aston (JA) (UR), Alan Rainey, (AR) Economic Adviser to UR.

For Item 3: Colin Broomfield (CBr) (UR), Philip Newsome, (PN) (CER), Alistair Greene (AG) (CSP), Andrew Chattrabhuti (AC) (CSP), Thomas Quinn (TQ) (CER), Brian Mulhern (BM) (UR)

For Item 4: Paul Bell (PB) (UR), Kevin Baron (KB) (UR)

For Item 5: Robert O'Rourke (ROR) (CER); Paul Bell (PB) (UR)

For Item 6: Joe Craig (JC) (UR)

For Item 7: Robert O'Rourke (ROR) (CER)

For Item 8: Jim McAllister, I-SEM Project Manager

For Item 9: Greg Irwin (GI) (UR)

Apologies: Laura Brien (LB) (CER)

Minute Taker: Elaine Gallagher (SEMC Secretariat)

1. Approval and Adoption of the Agenda

The agenda was approved and adopted. Item 2 was taken at the end of the meeting.

2. Approval of Minutes from Meeting 96 on 27 August 2015

The minutes of meeting 97 on 27 September 2015 were approved subject to minor amendments.

Decision Items

3. CRM Decision Paper 1

The SEM Committee noted the importance of developing the new CRM in a timely manner, given that given that the current CPM is under review by the European Commission. The CRM project team provided an overview of the CRM Decision Paper 1. The project team summarised responses and the SEMC discussed in detail four key issues:

- Administered Scarcity Price;
- Market Reference Price;
- Demand Side Units;
- Socialisation of RO Difference Payment;

The Committee provided input for the further development of the CRM Decision Paper 1, which will be considered at SEMC 100 on 14 December 2015.

4. CPM Ex Post, Fixed and Variable Proportions Decision Paper

PB provided a summary of the paper and noted that no responses had been received. The SEMC endorsed and approved the Decision Paper.

Discussion/Information Items

5. DS3 Project Update

ROR provided an update on RoCoF in Northern Ireland. ROR further noted that a Quarterly Update on DS3 would be published in a matter of weeks. He also informed the Committee that the Tariffs Paper was to be approved shortly and noted that an interim tariffs implementation plan was coming to the RAs for approval shortly from the TSOs. The Committee welcomed the interaction between the CRM and DS3 teams. DS3 and CRM teams to present to SEMC at SEMC 99 on issues arising from interaction between the workstreams.

6. F&L Emerging Thinking

JC provided an outline of emerging thinking with respect to consultation responses regarding FTRs, which was noted by SEM Committee.

7. EIL Certification Update

ROR provided an update on the EIL Certification which will commence in January 2016, with a submission to the European Commission by June 2016. The update was noted by the Committee.

8. I-SEM Project Update

JMcA provided an update on the I-SEM project highlighting red, amber and green status of workstreams, which were duly noted by the Committee. JMcA undertook to streamline RAG requirements going forward in the interest of transparency. JMcA noted that six change requests had been logged which were due to be closed in a matter of weeks. An update on stakeholder engagement was also provided.

9. SEM Communications Strategy

GI provided a progress update on the SEM Communications Strategy focusing on increasing awareness; enhancing transparency; and promoting engagement. The SEMC was asked to:

- Note progress on the I-SEM web page and the AIP website and the stakeholder programme,
- Comment and discuss the high level messaging as provided in the I-SEM script and,
- Comment on the proposed approach to improving the accessibility of communications via the AIP website;

A number of comments were made and the script will be reviewed again at the next meeting.

Standing Items

10. Updates:

Communications:

None

CER:

GB outlined a number of points raised by Klaus Dieter Borchardt, European Commission with respect to Capacity Payments and the existing CPM in the all-island market.

UR:

JP announced the successful appointment of two new members to the Board of the Utility Regulator, one of whom is likely to be appointed to SEMC in due course.

Independent Members:

OHH informed the Committee of an invitation he had received to visit Japan regarding Japan's the liberalised electricity market.

DN provided an update on positive feedback with respect to his recent paper entitled '*Remunerating flexibility: a case study of the Single Electricity Market of the island of Ireland: from SEM to I-SEM and DS3*', which was commissioned by Imperial College.

11. Review of actions from meeting 97 of 27 September 2015

Actions were updated.

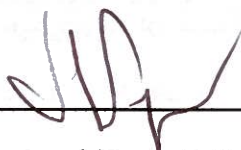
12. SEM Correspondence

Three items of correspondence were discussed. The Committee noted the reduction in size of the Donegal Constraints raised by EirGrid plc, and considered the representations made by EIA and Energia.

13. AOB

None

Signed: _____



Jenny Pyper, Chief Executive Officer, Utility Regulator, SEMC Chair

Date of Next Meeting:

SEM Committee 99, Thursday, 26 November 2015, UR Offices, Belfast