

## **SEM Committee Meeting**

### **Minutes Meeting No. 100**

**Location:** CER Offices, Dublin

**Date:** Monday, 14 December 2015

**Time:** 9.30am – 3.30pm

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

**Apologies:** Jenny Pyper (JP) (Utility Regulator) (UR)

#### **In attendance:**

For all Items: Jo Aston (JA) (UR), Brian McHugh (BMcH) (UR), Alan Rainey, (AR) Economic Adviser to UR, Eamonn Murtagh (EM) (CER), Laura Brien (LB) (CER);

For Item 3: Philip Newsome (PN) (CER);

For Items 4, 5, 6, 7 and 8: Robert O'Rourke (ROR) (CER); Paul Bell (PB) (UR);

For Item 5: Louis Fisher (LF) (EirGrid plc) and Bill Thompson (BT) (EirGrid plc);

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

For items 9 and 12: Paul Bell (PB) (UR), Kevin Baron (KB) (UR);

**Minute Taker:** Elaine Gallagher (SEMC Secretariat)

#### **Preliminaries:**

#### **Declarations of Interest:**

The chair invited members to make declarations of interest. No declarations were made.

#### **1. Approval and Adoption of the Agenda**

The agenda was approved and adopted.

#### **2.**

##### **(a) Review and Approval of Minutes from meeting 99 on 26 November 2015**

Minutes approved subject to minor editorial amendments.

##### **(b) Review and Approval of Minutes from meeting 98 on 29 October 2015**

Minutes approved subject to minor editorial amendments.

## **Discussion/Information Items**

### **3. CRM Decision Paper 1 Update**

PN gave an update on the publication of CRM Decision Paper 1 which was envisaged would be published before the Christmas break.

### **4. DS3 Project Update**

ROR updated the Committee on DS3 developments noting the status of both RoCoF and System Services as against baseline plan. In terms of RoCoF, Generator Studies are progressing. An update was also provided on the System Services Project.

### **5. TSO presentation on DS3 volumes and tariffs**

Representatives from EirGrid plc provided an update on DS3 System Services including an overview of:

- Increase of SNSP to 55% System Trial;
- Volumes / Tariffs Timelines;
- Volume Calculation Methodology;
- Regulated Tariffs Calculation Methodology; and
- Incremental Investment Cost Estimation.

The SEM Committee welcomed the increase to 55% SNSP.

### **6. DS3 Overview of Upcoming Consultations including Auction and Scalar Papers**

ROR gave an update on both the Auction Design and Scalar Design Papers. Key issues discussed with respect to the Auction Consultation Paper included:

- Optimisation and prices;
- ETA interaction commitment model; and
- CRM interaction.

The Committee noted that both the Auction and Scalar Papers are to be approved by DS3 Project Board and are due to be published by end of 2015. Public workshops and meetings are to be arranged for January 2016.

### **7. DS3 Competition Metrics Consultation Update on Responses**

ROR updated the Committee on responses received on the DS3 Competition Metrics Consultation.

**8. DS3 Qualification Contracts**

ROR made a presentation on the DS3 Systems Services Qualification Process and Contractual Design and provided an overview of issues such as: approach to qualification, contractual principles, procurement process and alignment with CRM process.

**9. Improving Competitiveness Update**

The MMU team updated the Committee on its review of Generator Commercial Offer Data in the SEM. The Committee noted the report and its contents.

**10. I-SEM Project Update**

JMcA updated the Committee on the status of the workstreams within the I-SEM project. JMCA also provided an update on the progress of the CRM State Aid submission and on project engagement more generally.

SEMC acknowledged the work of directors during the course of 2015.

**An action was placed on JMCA to update the Project Managers Group and to indicate any critical paths for generator and suppliers.**

**11. REMIT Update**

AMcC and AE updated the Committee on REMIT implementation providing an overview of REMIT in the context of SEM and I-SEM, as well as providing an update on REMIT registration, monitoring and enforcement. The Committee were also briefed on the role of the MMU with regard to REMIT.

**12. MMU Quarterly Update**

The MMU team provided an overview of the Single Electricity Market Update for Q3 2015 including:

- An overview of how the market works and key trends;
- Detailed market information; and
- Information on trends in directed contracts which are imposed by the Regulatory Authorities on the incumbent generators with market power in the SEM.

The report was noted by the Committee with some editorial amendments and further detail suggested.

## Standing Items

### 13. Updates

- **Communications**

This item was taken as read.

- **UR**

No update was provided.

- **CER**

GB noted the publication of the CER Connection and Grid Policy Consultation which was published on 11 December 2015. It was noted that the CER will publish a decision paper in relation to the proposed transitional arrangements in early 2016 as well as an Enduring Connection Policy in Q4 2016.

GB also highlighted the imminent publication of the White Paper on the '*Transition to a Low Carbon Future 2015 -2030*' by the Department of Communications Energy and Natural Resources in the coming days.

- **Independent Members**

DN provided an update on the second capacity auction which cleared in Great Britain at £18/kw. It was noted that reports were available to be downloaded.

### 14. Review of actions from meeting 99 on 26 November 2015

Actions were reviewed and updated.


### 15. SEM Correspondence

No additional items were discussed.

### 16. AOB

The SEM Committee recorded its congratulations at the appointment of Andrew Ebrill of the CER to the role of in the Secretary General of the CEER.

The SEMC noted the historic signing of an agreement at the 21<sup>st</sup> Conference of Parties to the United Nations Framework Convention on Climate Change in Paris.

Signed: 

**Aoife MacEvilly, Commissioner, CER, SEMC Chair**

**Date of Next Meeting:  
SEM Committee 101, Thursday, 28 January 2016, UR Offices, Belfast**