

SEM Committee Meeting

Minutes Meeting No. 102

Location: CER Offices, Dublin
Date: Thursday, 25 February 2016
Time: 10.30am – 3.30pm

Member Attendees: Aoife MacEivilly (AMacE) (CER) (SEMC Chair), Jenny Pyper (JP) (Utility Regulator) (UR), 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)

In attendance:

For all Items: Jo Aston (JA) (UR), Brian McHugh (BMcH) (UR), Jon Carlton, (JCI) UR Board Member and SEMC Observer, Alan Rainey, (AR) Economic Adviser to UR, Eamonn Murtagh (EM) (CER), Laura Brien (LB) (CER);

For Item 3: Colin Broomfield (CBr) (UR), Philip Newsome (PN) (CER), Natalie Dowey (ND) (UR); Alistair Greene (AG), ESP Consulting;

For Items 4: Jim McAlister, I-SEM Project Manager;

For Items 6, 7, 8, 9, 10: Robert O'Rourke (ROR) (CER); Paul Bell (PB) (UR), Mo Cloonan (MC) (CER), Andrew McCorriston (AMC) (UR).

Minute Taker: Maeve Kennedy

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.

Review and Approval of Minutes from meeting 101 on 28 January 2016

Minutes approved subject to minor editorial amendments.

Decision Items

3. CRM Consultation Paper 2 Emerging Thinking on Subset of Issues

The SEM Committee supported the position outlined in the paper.

Discussion/Information Items

4. I-SEM Project Update

JMcA gave an update of milestone dates as against the baseline plan. JMcA also provided an update on the detailed planning work which is ongoing with the TSOs as well as an update on stakeholder engagement more generally.

5. Market Power Summary of Consultation

This item was taken as read. Emerging Thinking paper to go to SEM Committee meeting in March 2016.

6. DS3/ CRM “Strawman” Briefing

ROR provided an overview of the DS3-CRM “Strawman”. The SEM Committee noted the contents and discussed at length issues relating to alignment with CRM. The SEM Committee endorsed the approach that is set out in the DS3-CRM “Strawman” paper.

7. DS3 Project Update

ROR provided a detailed update on the development of the DS3 project. The Scalar Consultation paper is due to be published in the coming days.

8. DS3 Interim Tariffs Update

There was a general discussion around the tariff strategy. A request was sent to the TSO's to provide further clarity on its methodology on the interim tariffs and to provide estimates of the benefits of its SNSP trial. A strong steer was given from the SEM Committee to ensure that 2016 tariffs are set at an appropriate level to optimise the system services benefits over the period to 2020. Final approval on the Consultation Paper is delegated to Project Board.

9. DS3 Contract Design and Qualification

MC gave an outline of the main issues consulted on in the DS3 Contract Design and Qualification Process paper. MC also provided an overview of the responses received and the areas needing attention in the development of a decision paper. Of key importance was the need to ensure alignment and consistency with CRM decisions where this is appropriate and provides benefit to market participants. The SEMC agreed that alignment between CRM and DS3 is important and should be focused on.

10. DS3 Capital Budget request for DS3 Systems Services Implementation

ROR provided information to SEM Committee in advance of a detailed budget submission to the DS3 Project Board,

Standing Items

11. Updates

The SEM Committee acknowledged the work of Eamonn Murtagh as Director of Networks in the CER, thanked him for his contribution to DS3 and to the SEM Oversight Committee, and wished him every success in his new role as Principal Officer at the Department of Education.

- Communications

This item was taken as read. The Communications 'Hymn Sheet' will be discussed at the March SEM Committee Meeting (SEMC 103).

A suggestion was made to hold two events in the coming months:

1. A Senior Stakeholder Forum and Stock-Take. Project Board to consider a date for end of April.
2. Hold a SEM Committee meeting in Ballymascanlon House Hotel and invite all I-SEM staff.

It was also suggested that the TSO senior management be invited to future SEM Committee meetings for a working lunch, to discuss progress on the project.

- UR

Final determination on SONI Price Control was published on 24 February. The Ministerial Advisory Group on Energy are producing a report on energy costs for large energy users in Northern Ireland.

- CER

GB discussed recruitment within CER, Ann McGarry, Safety Director will commence employment in April and CER have also received a sanction letter that allows them to start recruiting at manager and analyst level.

- Independent Members

No update was provided.

10. Review of actions from meeting 101 on 28 January 2016

Actions were reviewed and updated.

11. SEM Correspondence

One piece of correspondence was discussed, which was received by the RAs and dated 1 February 2016. Responsibility for this matter was delegated to the DS3 Project Board.

12. AOB

Signed: 
Aoife MacEvilly, Commissioner, CER, SEMC Chair

Date of Next Meeting:
SEM Committee 103, Thursday, 31 March 2016, UR Offices, Belfast