

## SEM Committee Meeting

### Minutes Meeting No. 103

**Location:** CER Offices, Dublin  
**Date:** Thursday, 31 March 2016  
**Time:** 10.00am - 5.00pm

**Member Attendees:** Aoife MacEvilly (AMacE) (CER) (SEMC Chair), Jenny Pyper (JP) (Utility Regulator) (UR), Bill Emery (BE) (UR), Jon Carlton, (JCI) (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), Alan Rainey, (AR) Economic Adviser to UR, Laura Brien (LB) (CER);

For Item 3: Clive Bowers (CB) (CER), Andrew Waghorn (AW) (Deloitte & Touche), SEM Market Auditors;

For Item 4: Clive Bowers (CB) (CER), James Curtin (JC) (CER), Gonzalo Saenz (GS) (CER), Brian Mulhern (BM) (UR);

For Item 5: Barbara Stevenson (BS) (UR), Karl Richardson (KR) (CER);

For Item 6: Colin Broomfield (CBr) (UR), Philip Newsome (PN) (CER), Natalie Dowey (ND) (UR); Alistair Greene (AG), ESP Consulting;

For Item 7: Jim McAlister, I-SEM Project Manager; and

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

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

#### **Preliminaries:**

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

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

#### **SEM Committee Membership:**

JP noted that JCI had been appointed by the Northern Ireland, Minister for Enterprise, Trade and Investment as a UR Member of the SEM Committee.

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

The agenda was approved and adopted.

#### **2. Review and Approval of Minutes from meeting 102 on 25 February 2016**

Minutes approved subject to minor editorial amendments.

## **Decision Items**

### **3. SEM Trading and Settlement Code Market Audit**

AW from Deloitte & Touche, currently appointed SEM Market Auditor, presented a report on the findings of the 2015 SEM Market Audit to the RAs as required by the Trading and Settlement Code. The SEM Committee noted the content of the 2015 Market Audit.

## **Discussion/Information Items**

### **4. Market Power Emerging Thinking**

The SEMC had a substantive and lengthy discussion on the emerging thinking on the I-SEM Market Power Mitigation Measures workstream. It is envisaged by the team that a Decision Paper on the I-SEM Market Power Mitigation Measures will be presented for approval and discussion by SEMC at meeting 104 on 28 April 2016.

There was broad acceptance that aspects of the decision relating to any proposed changes to the ring-fencing of ESB will be considered as part of the Forwards and Liquidity Decision.

### **5. Presentation on Launch of updated SEM Committee Website**

BS and KR gave a presentation on the new format SEM Committee website, [www.semcommittee.com](http://www.semcommittee.com) introducing a more transparent and more easily accessible format to inform on the work of the SEM Committee relative to the different workstreams and projects. BS envisaged that the new website would go live in the coming days.

The SEM Committee acknowledged the hard work of teams in UR and CER to bring about the launch of the new website.

### **6. CRM Paper 2 Emerging Thinking**

CBr outlined the project team's emerging thinking on a number of items covered in CRM Consultation 2 including a detailed overview of the responses to CRM Consultation Paper 2 which closed on Monday, 8 February 2016. The SEM Committee discussed at some length issues raised by the project team and noted that the CRM Decision Paper 2 would be presented for Decision at SEMC 104 in April 2016.

### **7. I-SEM Project Update**

JMcA provided an overview of key milestones achieved in the I-SEM Project in March 2016 as well as providing an update on stakeholder engagement more generally.

## 8. DS3 Project Update

ROR provided a brief update on developments on DS3, Systems Services and RoCoF. The report as circulated was taken as read. No issues were raised by the SEM Committee.

## 9. DS3 Enduring Qualification Process and Contract Design

The project team gave a broad overview of this workstream highlighting a number of areas for more detailed discussion by SEM Committee including: procurement process, tariff setting, qualification process, bid bonds, plant classification, emerging technology, and qualification criteria.

## 10. DS3 Auction Design

The project team requested guidance in relation to the timelines and approach to progress the decision paper and first auction. ROR provided an overview of responses received to the DS3 Auction Design Consultation. After discussion of issues raised, the SEM Committee decided that further time to consider this issue should be afforded at SEMC 104 in April 2016. The SEM Committee recommended that the DS3 Project Board should develop thinking on the DS3 Auction Design including timelines and options and present a recommendation to the Committee for consideration.

## Standing Items

### 11. Updates

#### - Communications

None beyond discussion under item 5.

#### - MMU Quarterly Report

PB provided a brief synopsis of the MMU Quarterly Report which was noted by the SEM Committee.

#### - UR

None

#### - CER

Update was provided on North-South Interconnector oral hearing.

#### - Independent Members

No update was provided.

**12. Review of actions from meeting 102 on 25 February**


Actions were updated.

**13. SEM Correspondence**

No new representations were discussed.

**14. AOB**

GB drew the SEM Committee's attention to recent remarks by an industry member at a CRM Workshop in Dundalk. The SEMC requested that the Project Board consider whether additional steps should be taken to avoid any further such occurrences. The SEM Committee agreed that it is completely unacceptable that the staff of the RAs should be treated in a disrespectful way or in a manner which calls into question their personal integrity.

Signed: 

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

**Date of Next Meeting:  
SEM Committee 104, Thursday, 28 April 2016, CER Offices, Dublin**