



SEM Committee Meeting Minutes Meeting No. 119

Location: CER Offices, Dublin

Date: Thursday, 27 July 2017

Time: 10.30 – 15.35

Member attendees:

Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jenny Pyper, Jon Carlton

Commission for Energy Regulation (CER): Garrett Blaney, Paul McGowan

Independent members: Odd Håkon Hoelsæter, Professor David Newbery (Deputy)

In attendance:

For all Items: Jo Aston (UR), Alan Rainey (Economic Adviser to UR), Laura Brien (CER), Brian McHugh (UR), John Melvin (CER)

For Item 3: Colm O’Gorman (CER), Gina Kelly (CER), Tony Doherty (UR (by telephone))

For Item 4: Colm O’Gorman (CER), Gina Kelly (CER), Tony Doherty (UR (by telephone))

For Item 5: Robert O’Rourke (CER), Mo Cloonan (CER)

For Item 6: Helen Mounsey (Neueda), Robert O’Rourke (CER)

For Item 9: Gordon Downey (Shepherd and Wedderburn (by telephone))

Apologies: Aoife MacEvilly (CER)

Minutes: Barbara Stevenson (SEMC Secretariat)

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 118 on 29 June 2017

The minutes from SEM Committee meeting 118 were approved for publication subject to one spelling amendment.

3. SEMO revenue requirements for SEM 2017/18 – information paper

Colm O’Gorman and Gina Kelly presented this item which outlined the SEMO revenue requirements for 2017/18 on a pro rata basis, up to I-SEM go-live in May 2018.

Details of revenue allowance, correction factor and depreciation were discussed along with proposed timelines for publication.

The Committee approved the SEMO revenue requirements for SEM 2017/18.

4. SEMOpx draft determination consultation

Colm O’Gorman gave a presentation on the proposed SEMOpx draft determination.

The Committee discussed the SEMOpx submission, RA views including those relating to labour costs, RAB, level of risk, response from the company as well as fixed and variable costs.

The Committee noted the paper and proposed minor amendments prior to publication.

5. DS3 regulated arrangements - presentation

Robert O’Rourke and Mo Coolan presented an overview of the DS3 regulated arrangements. They outlined progress to date, provided an update on system services, enduring tariff methodology and scalar proposals. Tariff complexities were discussed and an update on RoCoF was provided noting NIEN and SONI would present on this issue at the August SEMC.

SEMC discussed the opportunities of DS3 for current market participants and new entrants. It was noted SEMC will receive a briefing on the jurisdictional review of competitive arrangements in August. SEMC also noted correspondence received on DS3 matters.

The SEMC noted and commended the progress that has been made on the DS3 project by both the RA’s and TSO’s.

6. I-SEM and DS3 project updates

Helen Mounsey provided a progress update to the committee with regards to the I-SEM and DS3 projects. Key points highlighted to the committee were:

I-SEM

- First stage gate has been passed
- TSO training programme has been set up with positive uptake of registrations
- Testing to commence mid-August – potential issues noted
- Update provided on generation and supplier licence modification process
- Update provided on Euphemia implementation
- Discussion on state aid

DS3

- Project proceeding to current plan

An update on the Marketing Monitoring Unit was also discussed.

7. Updates

a. SEMC communications strategy update & I-SEM and DS3 hymn sheets.

Agenda item noted as read. It was highlighted that further detail on the SEMC communications activity would be reported at the August SEMC.

b. CER / Utility Regulator / Independent Members

No updates were provided by CER

Jenny Pyper provided an update on the NIEN price control, RP6 and the SONI appeal to the CMA.

No updates were provided by the Independent Members

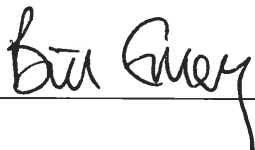
8. Review of actions from meeting 118 on 29 June 2017

The actions were noted and updated.

9. SEM Correspondence

Gordon Downey (Shepherd and Wedderburn) joined the SEMC (by telephone) to discuss recent correspondence from Viridian, Arthur Cox and a draft response. SEMC also discussed a review of risk and contingency planning.

10. AOB

Signed: 
Bill Emery, SEM Committee Chair