

## **SEM Committee Meeting**

### **Minutes Meeting No. 156**

**Location:** Video-conference

**Date:** Thursday 27<sup>th</sup> August 2020

**Time:** 09.00 – 13.30

#### **Member attendees:**

Commission for Regulation of Utilities (CRU): Jim Gannon (SEM Committee Chair), Aoife MacEivilly, Paul McGowan

Utility Regulator (UR): Bill Emery, Jon Carlton

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

#### **In attendance:**

For all items: John Melvin (CRU), Colin Broomfield (UR), Alan Rainey (Economic Adviser to UR), Barry Hussey (CRU)

For items 1-7: Jenny Pyper (UR)

For item 4: Rachel Strong (CRU)

For item 5: Adam Fitzpatrick (CRU), Ian McClelland (UR)

For item 6: Gina Kelly (CRU), Gary McCullough (UR)

For items 7-9: Paul Bell (UR)

For item 8 (part only): Jo Aston (SONI), Rodney Doyle (EirGrid), Bill Thompson (EirGrid), Aodhagan Downey (EirGrid)

For item 10: Brian Mulhern (UR)

**Apologies:** None

**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 155 30<sup>th</sup> July 2020**

The minutes from SEM Committee 155 were approved with one minor amendment.

#### **3. COVID-19 update**

Colin Broomfield updated the Committee on the RA response to the ongoing COVID-19 pandemic in relation to the Single Electricity Market. This included detail of outage planning, demand, ongoing system operation and cost impacts.

#### **4. TSC 2020 Market Audit TOR**

A background of the audit was provided and responses to the consultation provided and discussed. The Committee further discussed the audit scope, treatment of known issues and respondent feedback.

The Committee approved publication of TSC 2020 market audit terms of reference.

#### **5. ETA/Market Coupling - Intermediary Arrangements in the SEM**

Adam Fitzpatrick provided an overview of the proposals as outlined in the intermediary arrangements consultation. An overview of consultation responses were provided and discussed.

The Committee further discussed monitoring arrangements, scope and possible next steps.

The Committee requested some editorial amendments to be approved by oversight and approved the publication of the decision paper.

#### **6. CEP – Update on eligibility for priority dispatch and significant modifications**

Gina Kelly provided an update on eligibility for priority dispatch pursuant to Regulation 2019-943. An overview of the options in the consultation was provided and current thinking in relation to proposed decisions was discussed. Discussions with government departments, European Commission, transmission and distribution operators were noted. An update on the DfE consultation on the transposition of the 2019 Electricity (recast) Directive was discussed.

Consulted-on proposals in relation to significant modifications were discussed alongside responses and proposed decisions.

The Committee considered relevant legal advice and provided feedback on current thinking.



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## **7. CRM – DSUs**

Paul Bell provided relevant background in relation to the assignment of a number of specific DSUs in the 2023/24 capacity auction.

Feedback from the TSOs in relation to an identified issue was discussed along with potential options for next steps that the TSOs may decide to take. The Committee sought assurances on steps being taken by the TSOs to prevent a reoccurrence of the issue and provided direction. Further information was requested by the Committee and next steps discussed.

## **8. Implementation Plans and Progress Reports for Awarded New Capacity**

The Committee discussed the Capacity Market implementation plans and progress reports for awarded new capacity status report as submitted by the TSOs.

The TSOs joined the meeting and presented information on the status of the awarded new capacity. Further detailed analysis was requested and the process timelines were discussed.

The Committee discussed the information that is required from market participants in relation to key milestone delivery dates and information to be sought from the TSOs. Feedback is to be provided to the Oversight Committee with further information from market participants the TSOs to be submitted to the Committee.

## **9. 2024-2025 capacity auction – update**

Paul Bell provided an update in relation to correspondence received from a market participant and their participation in the 2024-25 capacity auction. Possible next steps were noted.

## **10. MMU update**

The market monitoring report was noted. Brian Mulhern provided a further update on market prices, demand, gas prices and carbon prices.

Updates on activity in the balancing market, transmission outages and internal monitoring was highlighted along with relevant discussions with market participants.

## **11. FWP update**

The Committee noted the FWP update as presented and accompanying risk log. Further detail was provided on movement to 70% SNSP, industry workshop on

system services and the publication of the generation capacity statement. Planning for the 2020/21 FWP was noted.

## **12. Updates**

### **(a) SEMC communications and governance update**

Barbara Stevenson updated the Committee on communications and governance activities. The Committee noted the SEM Committee meeting schedule for 2021 with approval to be confirmed via correspondence.

### **(b) CRU/UR/Independent Members**

Aoife MacEvilly provided an update on:

- The appointment of Eamon Ryan as Minister for Climate Action, Communication Networks and Transport
- Publication of the provisional RESS results
- Annual tariffs
- Non-wholesale elements of the Clean Energy Package

Colin Broomfield and Bill Emery updated the Committee on:

- SONI governance review
- CEP and discussions with the Department for the Economy
- Appointment of UR CEO

David Newbery discussed market coupling between SEM and GB in the context of Brexit.

### **(c) Legal update**

Barry Hussey provided an update in relation to modifications proposed at the trading and settlement modifications committee. Recent correspondence received in relation to the modification was discussed along with legal advice received. Next steps were noted.

### **(d) Brexit**

The Committee was provided an update on the ongoing work following Brexit on 31 January 2020. This included arrangements for market coupling, intra-day auctions and contingency arrangements. Further detail is to be discussed at a future meeting.



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**13. Review of actions from meeting 155 30<sup>th</sup> July 2020**

No open actions to discuss

**14. SEMC correspondence**

The Committee considered correspondence and noted further information was required before finalising a response

**15. AOB**

None

A handwritten signature in black ink, appearing to read 'J. Gannon', is written over a faint, dotted rectangular box.

**Signed:** \_\_\_\_\_

**Jim Gannon, SEM Committee Chair**