



## **SEM Committee Meeting**

### **Minutes Meeting No. 191**

**Location:** CRU offices, Dublin and video-conference

**Date:** Thursday 23<sup>rd</sup> February 2023

**Time:** 9.00am – 4.00pm

#### **Member attendees:**

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

Utility Regulator (UR): Bill Emery, Jon Carlton

Independent members: Jonathan Hodgkin, Chris Harris (Deputy)

#### **In attendance:**

For all items: Kevin Shiels (UR), John Melvin (CRU), Colin Broomfield (UR), Alan Rainey (Economic Advisor to UR)

For items 3 - 9: Andrew Chattrabhuti (ESP Consulting), Marie Therese Campbell (UR), Grainne Black (CRU), Damhnait Gleeson (CRU), Merin Joseph (CRU), Ian McClelland (UR), Donna Maye (UR), Kevin Baron (UR)

Agenda item 6: Stuart Foulkes (ESP Consulting)

For item 10: Grainne Black (CRU), Damhnait Gleeson (CRU)

For item 11: Brian Mulhern (UR)

For item 12: Minister Eamon Ryan, Rhona Gaynor (DECC), Keith Flanagan (DECC), Peter Russell (DfE)

AOB: Grainne Black (CRU), Emer Gerrard (CRU)

**Apologies:** John French (UR)

**Minutes:** Barbara Stevenson (SEMC Secretariat)

**Declarations of interest:** None

#### **1. Approval and adoption of the agenda**

An updated agenda was approved and adopted.

#### **2. Review and approval of minutes from meeting 190, Thursday 26<sup>th</sup> January 2023**

The minutes from SEM Committee meeting 190, Thursday 26<sup>th</sup> January 2023 were approved.

### **3. Best new entrant decision**

Andrew Chattrabhuti summarised the best new entrant consultation, consultation responses and previous SEM Committee discussions relating to this work area. Detail of the final CEPA/Ramboll report was provided. The outcome of a recent legal challenge relating to annual run hour limits was summarised.

The Committee discussed the current unique market circumstances, auction price cap and relevant information for capacity auction information packs.

The Committee approved the best new entrant decision paper as presented alongside editorial suggestions to be incorporated into the final decision paper.

### **4. CRM T-4 2026/27 final qualification results and capacity auction monitor report**

Ian McClelland presented the final qualification results for the T-4 2026/27 capacity auction. Detail of qualified capacity by local constraint area and qualified capacity by technology type was provided. Capacity already procured in previous auctions with multi-year reliability options was outlined. Net existing capacity and net new capacity by technology type and local constraint area were summarised. Detail of capacity rejected by the TSOs and reasons for the rejections were presented. Raised disputes and their outcomes were outlined.

Donna Maye presented the capacity auction monitor report. The Committee noted the reasonable assurance given by the auction monitor and issues identified. The Committee stressed the need for the TSOs to address known issues and accepted the capacity auction monitor report.

The Committee discussed individual qualified generation projects and need for further information before final decisions could be reached.

### **5. CRM T-4 2026/27 exception applications – new capacity**

The Committee reviewed the new capacity exception applications as detailed in the circulated memo.

The Committee approved the new capacity recommendations and delegated authority to the Oversight Committee for final approval and issuing of the final new capacity multi-year reliability option decision letters.

**6. CRM T-4 2026/27 exception applications – USPC final determinations**

Kevin Baron provided an overview of the unit specific price cap process. Detail of submitted applications was provided.

The Committee discussed specific applications and modelling carried out by the team. The Committee sought further information relating to specific applications before final decisions could be reached.

**7. CRM T-4 2026/27 final auction information pack**

An overview of the decisions requested from the Committee to be included in the final auction information pack were outlined. Andrew Chattrabhuti presented detail of the key considerations relating to volumes including key adjustments proposed by the TSOs. A range of options in relation to volumes were discussed by the Committee alongside security of supply implications and consumer impact.

Auction timelines were considered and the Committee indicated that further analysis was required before final decisions could be made.

**8. T-4 2027/28 capacity auction parameters draft decision paper**

An overview of the T-4 2027/28 capacity auction parameters as published for consultation was presented. The auction timetable and next steps were noted.

**9. T-4 2027/28 capacity auction initial auction information pack**

The 2027/28 capacity auction initial auction information pack was presented alongside decisions requested from the Committee.

A range of elements within the IAIP including proposed de-rating factors, auction price cap, capacity requirement, local constraint areas and external market de-rating factor were outlined and discussed. The Committee asked for further information to be requested from the TSOs in relation to the local constraint areas before final decisions could be reached.

**10. Applicability of non-performance difference charges to available generators**

Grainne Black introduced the proposed decision on the applicability of non-performance difference charges to available in-merit units and provided relevant background information.

Damhnait Gleeson summarised the consultation proposals, consultation responses, feedback from bilateral meetings and information provided by the TSOs.

The Committee approved the decision paper as presented with the effective date to be communicated to market participants.

### **11. qPAR decision**

Brian Mulhern provided background to the consultation on the review of the Price Average Reference Quantity (qPAR) parameter. Responses to the published information note proposing to amend the qPAR value were summarised.

Market conditions since the publication of the information note were discussed including overall reductions in the wholesale gas price.

The Committee approved the proposal as presented.

### **12. Update with Minister Ryan**

The Committee discussed a range of issues with Minister Ryan with representatives from the Department of the Environment, Climate and Communications and Department for the Economy also in attendance. Climate policy in Ireland and Northern Ireland, security of supply and decarbonisation were key areas of discussion.

### **13. MMU update**

The Committee noted the MMU update.

### **14. FWP update**

A short verbal update on the FWP was noted.

### **15. Updates**

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

Barbara Stevenson updated the Committee on recent communication and governance activities including the amendment to the terms of appointment for Paul McGowan and Bill Emery on the SEM Committee.

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

Aoife MacEvilly provided an update on:

- The cost of living package of measures in Ireland
- Targeted social welfare payments
- Extension of the current disconnection moratorium
- Energy prices
- PSO payment for 2022-23
- Decision re: offshore grid connection assets treatment
- DECC response to Electricity Market Reform consultation
- Security of Supply in Ireland

Kevin Shiels provided an update on

- Regulated energy tariff reviews
- UK Government support schemes
- DfE Energy Strategy action plan
- Climate Change Act targets
- Security of supply in Northern Ireland

**(c) Legal update**

A verbal update on legal matters was provided.

**16. Review of actions from meeting 190, Thursday 26<sup>th</sup> January 2023**

The Committee discussed open actions.

**17. SEMC correspondence**

The Committee discussed received correspondence.

**18. AOB**

Emer Gerrard presented a proposal to issue a letter endorsing the application of the interim cross zonal arrangements to Greenlink and future SEM-GB interconnectors. The proposed publication of a consultation seeking views on the forward-looking arrangements regarding compensation for reductions to interconnector net transfer capacity was also outlined.

The Committee approved the proposals as presented.



## **SEM Committee Meeting**

### **Minutes Meeting 191 - session two**

**Location:** Video-conference

**Date:** Tuesday 28<sup>th</sup> February 2023

**Time:** 8.00am – 10.00am

#### **Member attendees:**

Commission for Regulation of Utilities (CRU): Jim Gannon, Paul McGowan (SEM Committee Chair), Aoife MacEvilly  
Utility Regulator (UR): Bill Emery, Jon Carlton  
Independent members: Jonathan Hodgkin, Chris Harris (Deputy)

#### **In attendance:**

For all items: John Melvin (CRU), Colin Broomfield (UR), Alan Rainey (Economic Advisor to UR), Andrew Chattrabhuti (ESP Consulting), Marie Therese Campbell (UR), Grainne Black (CRU), Damhnait Gleeson (CRU), Elvis Sebastian (CRU), Ian McClelland (UR), Donna Maye (UR), Kevin Baron (UR), Brian Mulhern (UR)

**Apologies:** John French (UR), Kevin Shiels (UR)

**Minutes:** Barbara Stevenson (SEMC Secretariat)

**Declarations of interest:** None

#### **1. CRM T-4 2026/27 final qualification results**

Ian McClelland summarised previous discussions in relation to the final qualification results for the T-4 2026/27 capacity auction and further detail sought by the Committee. Recently received information on specific generation units was presented alongside recommendations from the TSOs.

John Melvin provided further detail on new generation units that had been recommended for qualification and the Committee had requested further information on. An overview of the project was provided and relevant information discussed. The Committee indicated they required further time to consider recently received information before making final decisions.

#### **2. CRM T-4 2026/27 exception applications – USPC final determinations**

Kevin Baron provided further detail of specific USPC exception applications as requested by the Committee during previous discussions. The Committee discussed



relevant available information, confirmed their decision in relation to two options presented for one applicant and need for clear communication on decisions reached.

The SEM Committee approved the T-4 2026/27 exception applications USPC final determinations.

### **3. CRM T-4 2026/27 final auction information pack**

Marie Therese provided an update on further work carried out by the RA teams following previous discussions at the Committee on the T-4 2026/27 final auction information pack.

Updated proposals in relation to volumes were presented and the Committee stressed the need for more information from the TSO's to enable final decisions to be reached. A range of options in relation to adjustments were discussed. The RAs were asked to report back having considered Committee feedback to allow for final decisions to be reached.

### **4. T-4 2027/28 capacity auction initial auction information pack**

Marie Therese Campbell summarised previous Committee discussions on the 2027/28 capacity auction initial auction information pack.

Detail of additional information requested by the Committee in relation to the local constraint areas was presented following feedback from the TSOs.

The Committee approved the T-4 2027/28 capacity auction initial auction information pack.



## **SEM Committee Meeting**

### **Minutes Meeting No. 191 – session three**

**Location:** Video-conference

**Date:** Wednesday 1<sup>st</sup> March 2023

**Time:** 8.00am – 10am

#### **Member attendees:**

Commission for Regulation of Utilities (CRU): Jim Gannon, Paul McGowan (SEM Committee Chair), Aoife MacEvilly  
Utility Regulator (UR): Bill Emery, Jon Carlton  
Independent members: Chris Harris (Deputy)

#### **In attendance:**

For all items: Kevin Shiels (UR), John Melvin (CRU), Colin Broomfield (UR), Alan Rainey (Economic Advisor to UR), Andrew Chattrabhuti (ESP Consulting), Marie Therese Campbell (UR), Grainne Black (CRU), Damhnait Gleeson (CRU), Elvis Sebastian (CRU), Ian McClelland (UR), Donna Maye (UR), Kevin Baron (UR), Brian Mulhern (UR)

**Apologies:** John French (UR), Jonathan Hodgkin (Independent Member)

**Minutes:** Barbara Stevenson (SEMC Secretariat)

**Declarations of interest:** None

### **1. CRM T-4 2026/27 final qualification results**

The Committee discussed the final qualification results for the T-4 2026/27 capacity auction. Previous Committee discussions and received information in relation to specific units were considered.

The SEM Committee approved the T-4 2026/27 final qualification results and provided direction to the RAs in relation to the qualification of specific units.


### **3. CRM T-4 2026/27 final auction information pack**

Andrew Chattrabhuti presented further work undertaken by the RAs following previous Committee discussions relating to the 2026/27 capacity auction final auction information pack. A detailed option in relation to volumes was presented alongside relevant information including demand forecasts, relevant adjustments, feedback from the TSOs and consumer impact. Comparisons with previous auctions were also presented.





The Committee approved the T-4 2027/28 capacity auction information pack including proposals in relation to volumes as presented. Delegated authority was given to Oversight to make any relevant final amendments.

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

**Paul McGowan, SEM Committee Chair**