

**SEM Committee Meeting
Minutes Meeting No. 136**

Location: UR offices, Belfast

Date: Thursday, 29th November 2018

Time: 10.30 – 14.00

Member attendees:

Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jenny Pyper, Jon Carlton
Commission for Regulation of Utilities (CRU): Paul McGowan, Aoife MacEvilly, Garrett Blaney

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

In attendance:

For all Items: Jo Aston (UR), John Melvin (CRU), Alan Rainey (Economic Adviser to UR),
For item 3: Colin Broomfield (UR), Karen Shiels (UR), Kevin Lenaghan (UR), Andrew Chattrabhuti (ESP consulting)

For item 4: Brian Mulhern (UR), Kevin Baron (UR), Helen Mounsey (ESP Consulting)

For item 5: Helen Mounsey (ESP Consulting)

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 135 on 25th October 2018

The minutes from SEM Committee 135 were approved subject to a minor amendment.

3. CRM reserves decision and CRM T-1 auction information pack

Colin Broomfield provided detail of the timelines for the T-1 CY2019/20 and T-4 CY2022/23 auctions and provided an overview of the CRM reserves decision process including the consultation responses. An overview of the CRM reserves decision for the T-4 CY2022/23 and T-1 CY2019/20 auctions were presented with differences from the T-1 CY2018/19 values explained.



committee

The Committee discussed the robustness of the process and links to the Generation Capacity Statement published by the Transmission System Operator. Recent market activity was also considered.

Details of the T-1 CY2019/20 final auction pack were presented including details of demand curve, location capacity constraints, exchange rate and final auction timetable. The Committee discussed the need for clear and effective communications around the auction results process.

The Committee approved the CRM reserves decision and T-1 CY2019/20 final auction information pack specific final parameters.

4. Market Monitoring Unit update on SEM and MMU quarterly report

Brian Mulhern presented a market overview update including details of activity in the day ahead market, intraday market, volumes, intraday continuous summary, washtrading summary and activity in the balancing market.

The Committee discussed ongoing investigations by the market monitoring team. The Committee commended the market monitoring unit on the quality of data available and analysis of market behaviour. Future publication of information was also discussed.

Kevin Baron presented the market monitoring report for Q3 2018, the final report for the old SEM market arrangements. SEM energy costs, impact of gas prices and trends were all highlighted.

5. ISEM delivery review

The ISEM delivery review paper was presented to the Committee. The conclusions were discussed in detail and the Committee highlighted the outstanding actions. The Committee noted and endorsed the formal closure of the project on 30 November 2018 and commended the project team for their work throughout the ISEM project.

6. SEM/DS3 forward programme update

The SEM and DS3 forward programme was noted with progress on RoCoF discussed.

7. Updates

a. SEMC communications and governance update

Barbara Stevenson updated the Committee on recent communication activities and progress on governance related matters.

b. CRU/Utility Regulator/Independent members

Paul McGowan highlighted CRU approval of the business plan and budget for next year and completion of the strategic plan. Garrett Blaney has been appointed as Commissioner for the Commission for Communications Regulation and will leave the Commission for Regulation of Utilities in December 2018. The appointment of Minister Bruton was also noted.

Jenny Pyper noted the consultation on the Utility Regulator Corporate Strategy and upcoming Forward Work Programme consultation. Work in relation to the review of SONI governance as identified in the current Utility Regulator forward work programme was also discussed.

David Newbery highlighted the upcoming winter conference and publication of papers discussing the carbon price floor.

c. Legal update

John Melvin updated the Committee on the ongoing Judicial Review of the Appeal Panel decision.

8. Review of actions from meeting 135 on 26th October 2018

The action log was considered with the update on the action relating to gas exit products noted and closed.

9. SEM correspondence

None

10. AOB

None

Signed: 
Bill Emery, SEM Committee Chair