

SEM Committee Meeting
DRAFT Minutes Meeting No. 138

Location: UR offices, Belfast

Date: Thursday, 31st January 2019

Time: 10.30 – 15.15

Member attendees:

Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jenny Pyper, Jon Carlton
Commission for Regulation of Utilities (CRU): Paul McGowan, Aoife MacEivilly
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: Jean Pierre Miura (UR), Rodney Doyle (SEMO)
For item 4: Paul Bell (UR), Kevin Lenaghan (UR), Kenny Dane (UR), Rodney Doyle (SEMO),
Attila Hajos (CEPA)
For item 5: Paul Bell (UR), Kevin Lenaghan (UR), Kenny Dane (UR), Attila Hajos (CEPA)
For item 6: Brian Mulhern (UR)
For items 7 and 8: Bobby Smith (CRU)

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 137 on 18th December 2018

The minutes from SEM Committee 137 were approved subject to minor amendments.

3. SEMC contingency planning update

The Regulatory Authorities updated the committee on contingency planning activity in respect of Brexit. This included a discussion on ongoing readiness preparation, contingency arrangements and stakeholder engagement activity.

Rodney Doyle joined the meeting and provided detail on contingency planning from a system operator perspective, scenario planning and their ongoing engagement with stakeholders.

The Committee discussed the need for further engagement with stakeholders with information to be published on the SEMC website when available and a senior stakeholder event to be arranged for 18 February 2019.

4. CRM T-1 CY2019/20 auction results and Monitor's report

Paul Bell presented the final auction results in detail along with the substantive supporting material as provided to the Committee.

Rodney Doyle joined the meeting and welcomed the constructive engagement with the Regulatory Authorities throughout the auction process. He informed the committee that the System Operator is content with the outcome of the auction from a system security perspective.

The Committee considered the Independent Auction Monitor Report as presented by CEPA including issues identified. The Committee discussed the materiality of the issues and noted the report confirms that the process was run in accordance with the Capacity Market Code.

The Committee discussed further the consumer benefit, next steps and plans for publication.

The Committee approved the CRM T-1 CY2019/20 capacity auction results for publication by the TSOs and the auction results approval letter for issue to the TSOs.

5. CRM T-4 auction update

Paul Bell presented detail of the 2022/23 T-4 Capacity Auction provisional qualification results. This included an overview of the auction timetable, the provisional qualification results, new capacity and exception applications.

CEPA provided an overview of the Capacity Auction's Monitor's Report including issues identified with actions to be taken by the Regulatory Authorities in advance of the auction.

The Committee discussed next steps as well as feedback from market participants.

6. SEM update

Brian Mulhern presented the recent market monitoring update report noted as read by the Committee.

The Committee discussed at length the incidence of RO events and balancing market activity and prices. The Committee also considered related market correspondence. The Committee agreed on the need for short and medium term actions to address any anomalies. The Oversight Committee was delegated to consider appropriate actions, including supporting information and analysis with the system operators. The option of written decision making procedure to expedite matters was also agreed, if appropriate.

7. DS3 fixed contract arrangements

Bobby Smith presented the papers as provided to the Committee outlining the DS3 System Services fixed contracts contractual arrangements.

The Committee discussed the principles as set out in the paper as well as opportunities for new market entrants.

The Committee approved the decision paper on DS3 System Services fixed contracts contractual arrangements as presented.

8. Updates

a. SEMC communications and governance update

Barbara Stevenson updated the Committee on upcoming communication activities including the publication of the first market monitoring report since the new market arrangements came into operation. The Committee were also updated on governance related matters.

b. CRU/Utility Regulator/Independent members

Paul McGowan updated the Committee on Ministerial priorities, LNG and personnel changes in CRU.

Jenny Pyper noted the recent sale of firmus energy and updated the Committee on the North/South interconnector and Brexit.

c. Legal update

John Melvin updated the Committee on the ongoing Judicial Review of the Appeal Panel decision as well as licence modifications.

9. Review of actions from meeting 137 on 18th December 2018

The action log was considered.




committee

10. SEM correspondence

Relevant correspondence was considered under agenda item 6. SEM update.

11. AOB

None

Signed:  _____
Bill Emery, SEM Committee Chair