

SEM Committee Meeting

Minutes Meeting No. 157

Location: Video-conference

Date: Thursday 24th September 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, Jenny Pyper

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 item 4: Gina Kelly (CRU), Jean Pierre Miura (UR)

For item 5: Gina Kelly (CRU)

For item 6: Brian Mulhern (UR)

For item 7: John Lynch (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 156 27th August 2020

The minutes from SEM Committee 156 were approved subject to minor amendments

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 system constraints, outage planning, demand, ongoing system operation and cost impacts.

4. Eligibility for Priority Dispatch

Gina Kelly presented the proposed decision on eligibility for priority dispatch pursuant to Regulation 2019-943.

An update was provided on discussions with government departments including feedback from the DfE consultation. Discussions with the European Commission were also summarised. The Committee considered further the market impacts and links with other work streams. Next steps were outlined and discussed.

The Committee approved the decision as presented and delegated authority to the Oversight Committee for final editorial amendments.

5. Proposed decision on redispatch and Article 13(7)

Gina Kelly provided relevant background detail relating to redispatch and Article 13 (7) including progress to date and links with previous consultations.

An overview of the consultation proposal in relation to the definition of dispatch, redispatch, market based and non-market based redispatch in the SEM was outlined alongside consultation responses.

Options in relation to financial compensation for non-market based redispatch were outlined. An overview of feedback from the TSOs, market participants, European Commission and implications of the proposals were discussed. The impact on consumers was explored alongside the objective of the Directive.

6. MMU update

The Committee considered the market monitoring update as presented. Brian Mulhern provided further detail of wind levels, gas prices, comparison with other regions, demand, spark spread and cost drivers.

An overview of detailed monitoring routines was provided alongside further detailed analysis undertaken by the market monitoring unit. The Committee commended the rigorous and robust market monitoring regime in place, detailed market analysis and the proactive approach of the team to address emerging issues.

7. Fuel mix disclosure

John Lynch presented the all-Island fuel mix disclosure report as submitted to the Committee. The Committee noted the key findings of the report, in particular the increased levels of renewable generation and reduced carbon emissions across the year as detailed in the report.

Plans for publication of the report were noted.

8. FWP update

The Committee noted the FWP update as presented. An update on the development of a new FWP was provided.

9. Updates

(a) SEMC communications and governance update

Barbara Stevenson updated the Committee on communications and governance activities including confirmation of 2021 meeting dates.

(b) CRU/UR/Independent Members

Aoife MacEville provided an update on recent engagement with Minister Eamon Ryan and senior management team changes within CRU.

Jenny Pyper updated the Committee on the upcoming publication of the NIAO report looking at the NIRO scheme, recruitment of the Head of NI Civil Service, UR CEO appointment and the planning approval for the North South Interconnector.

David Newbery provided an insight into carbon pricing calculation for generation as part of the planning process in GB.

(c) Legal update

Colin Broomfield provided an update on relevant legal issues including background detail and proposed next steps. The Committee approved the issuing of relevant correspondence.

John Melvin provided a further update on a proposed modification at the trading and settlement code modifications committee since the last SEMC meeting. Next steps were noted.

The RAs provided an update on the ongoing work following Brexit on 31 January 2020.

An update was provided on recent workshop between the RAs and the independent members of the Committee. Short and long-term challenges were explored and an update on feedback with industry was also provided alongside relevant correspondence.

Operational market arrangements in other jurisdictions were outlined. An update on a recent joint BEIS/DfE/UR stakeholder workshop on Brexit was also provided.

10. Review of actions from meeting 156 27th August 2020

The Committee noted the open action and a relevant update was provided.

11. SEMC correspondence

The Committee considered correspondence and approved a draft reply to one item as presented. Authority was delegated to the oversight committee to draft a reply to other correspondence as discussed by the Committee.

12. AOB

None.



Signed: _____

Jim Gannon, SEM Committee Chair