

## **SEM Committee Meeting**

### **Minutes Meeting No. 160**

**Location:** Video-conference

**Date:** Friday 4<sup>th</sup> December 2020

**Time:** 10.00 – 12.00

#### **Member attendees:**

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

Utility Regulator (UR): Bill Emery, Jon Carlton, John French

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

#### **In attendance:**

For all items: Colin Broomfield (UR), John Melvin (CRU), Alan Rainey (Economic Adviser to UR), Paul Bell (UR), Kenny Dane (UR), Billy Walker (UR), Kevin Baron (UR), Grainne Black (CRU), Damhnait Gleeson (CRU). Sturart Ffoulkes (ESP consulting), Andrew Chatrabhuti (ESP consulting)

**Apologies:** None

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

**Declarations of interest:** No declarations were made

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

The Committee noted and agreed the one item agenda.

#### **2. CRM T-4 2024/25 auction**

Paul Bell provided an overview of the decisions requested from the Committee in relation to the T-4 2024/25 capacity auction.

The Final Qualification results as provided by the TSOs were discussed. Qualified capacity by technology type, unit volumes and links with the Clean Energy Package were detailed. The TSOs' recommendations in respect of units for rejection were outlined. Capacity applications for new capacity including multi-year contracts were discussed. The Committee considered the Capacity Auction monitor report.



**The Committee approved the T-4 2024/25 capacity auction Final Qualification Results as presented. The Committee also approved maximum capacity durations.**

The Committee discussed the auction format including the requirements of the capacity market code and previous auction arrangements.

**The Committee approved the recommendation on the auction solution methodology.**

**The Committee noted the proposal in respect of the exchange rate and approved as presented.**

The Committee discussed at length the proposals in relation to volume decisions. This included an assessment of the TSO submissions, experience from previous auctions, assumptions and progress of key infrastructure projects and new capacity. The potential overall cost impacts were detailed and discussed alongside future auctions. A minor typographical error was noted and corrected in the labelling of options presented.

**The Committee indicated their preferred option in terms of volume and approved the auction volume settings and locational capacity constraints minimum requirements, including allowing the locational capacity constraint minimum requirements to be met using multi-year contracts. The Committee approved the issuing of relevant correspondence to the TSOs with final editorial amendments delegated to the Oversight Committee.**

Paul Bell provided an overview of the USPC process and applications. The detailed discussions at SEMC 159 in respect of applications were summarised and relevant detail highlighted.

**The Committee approved the T-4 2024/25 USPC decisions as presented and delegated authority to the Oversight Committee to issue relevant correspondence.**

The Committee thanked the CRM team for their extensive and detailed work in preparing for the auction.

A handwritten signature in black ink, appearing to read 'J. Gannon', written over a light blue dotted line.

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

**Jim Gannon, SEM Committee Chair**