

SEM Committee Meeting

Minutes Meeting No. 162

Location: Video-conference

Date: Thursday 28th January 2021

Time: 09.00 – 13.05

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), Barry Hussey (CRU)

For item 3: Leigh Greer (UR), Karen Shiels (UR)

For items 4 and 5: Barry Hussey (CRU), Gina Kelly (CRU), Jean Pierre Miura (UR), Gary McCullough (UR)

For item 4 (part only): Liam Ryan (EirGrid), Jon O'Sullivan (EirGrid), Adam Hargreaves (EirGrid)

For item 6: Paul Bell (UR), Kevin Lenaghan (UR), Kevin Baron (UR), Billy Walker (UR), Damihait Gleeson (CRU)

For item 6 (part only): Rodney Doyle (Eirgrid), Aodghan Downey (EirGrid), Shane Maher (Eirgrid)

For item 7: Brian Mulhern (UR)

For item 8: Grainne Black (CRU), Jean Pierre Miura (UR)

For item 9: Jean Pierre Miura (UR), Barry Hussey (CRU)

For item 10: Leigh Greer (UR)

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 161, Tuesday 22nd December 2020



The minutes from SEM Committee 161 were approved.

3. SEMO Capex (2018-2021) decision

Leigh Greer introduced the item and provided an overview of the SEMO capex (2018-2021) proposal submitted to the Committee. This included detail of the proposed capex, variances following consultation, relevant timelines and proposed next steps.

The Committee further discussed engagement with SEMO and relevant feedback from market participants.

The Committee approved the SEMO Capex for 2018-2021 as presented.

4. Further consultation on dispatch, redispach and compensation under Article 13(7)

An overview of the further consultation on dispatch, redispach and compensation under Article 13(7) was outlined. Current thinking in the areas of dispatch, redispach, decremental actions applied to priority dispatch units, market and non-market based redispach and options in respect of compensation were presented.

An overview of consultation responses was provided along with feedback from further engagement with the TSOs and market participants.

The TSO's joined the meeting and provided detail of their proposals in relation to the treatment of priority dispatch and redispach as well as relevant compensation arrangements.

The Committee questioned further the TSOs proposals and assumptions presented including potential consequences across all elements of the market.

The TSOs left the meeting and the Committee further considered longer term market conditions, market fundamentals and noted the next steps.

5. Proposed decision on treatment of new renewable units in the SEM

Barry Hussey provided an overview of current thinking in relation to the treatment of new renewable units in the SEM. High level principles were detailed including in the areas of scheduling and dispatch, constraints and curtailment, balancing market and treatment of bids and offers. Interim as well as long-term arrangements were discussed.

Relevant timelines and next steps were outlined.

6. CRM 2024/25 T-4 update

The TSOs joined the meeting and provided an overview of the provisional auction results for 2024/25 auction which ran on 21 January 2021. This included detail of the auction timeline, initial feedback from the auction monitor and auction outcome.

The Committee discussed the results and potential for a further auction for the 2024/25 capacity year.

The TSOs left the meeting and Paul Bell noted the successful implementation of the new auction format. The Committee also discussed further specific market participant outcomes and relevant timelines for a T-3 auction. Oversight Committee are to issue relevant communication to market participants to commence T-3 process.

7. MMU update

The Committee noted the market monitoring update as circulated.

Brian Mulhern provided further detail of prices in the day-ahead market, intra-day markets, wind levels, wholesale fuel prices and demand.

Comparison with the GB market was outlined and detail of interconnector flows. The Committee discussed ongoing market monitoring metrics, volumes of trading across each market and comparisons with GB.

8. Brexit update

Grainne Black provided an overview of the Trading and Co-Operation Agreement. The Committee discussed relevant timelines and next steps.

9. REMIT registration

The Committee discussed the registration of market participants under REMIT in the context of Brexit. ACER and UR communications were outlined and discussed.

The Committee delegated authority to Oversight to develop and publish an update in respect of REMIT registration for market participants.

10. Covid lessons learned actions

Leigh Greer provided an update on the Covid lessons learned action list as provided to the Committee.

11. FWP update

The Committee noted the publication of the FWP for 2020-21 and arrangements for ongoing progress monitoring.

12. Updates

(a) SEMC communications and governance update

Barbara Stevenson updated the Committee on communications and governance activities. Communications in respect of the capacity auction were noted.

(b) CRU/UR/Independent Members

Aoife MacEville provided an update on stakeholder feedback following Brexit and work with the Department in respect of the Climate Action Plan.

John French noted the UR FWP consultation, update on the SONI governance consultation, the PAC inquiry and DfE energy strategy.

(c) Legal update

John Melvin provided an update on an ongoing legal matter.

13. Review of actions from meeting 161 Tuesday 22nd December 2021

No open actions

14. SEMC correspondence

No relevant correspondence was received.

15. AOB

The Committee discussed the implementation of the Clean Energy package as outlined in the published roadmap. The Committee delegated authority to the Oversight Committee to issue an information note in relation to feedback received on SEM-20-089.



A handwritten signature in black ink, appearing to read 'J. Gannon', written over a faint, light-colored rectangular stamp.

Signed: _____

Jim Gannon, SEM Committee Chair