

**SEM Committee Meeting  
Minutes Meeting No. 146**

**Location:** CRU offices, Dublin

**Date:** Thursday, 31<sup>st</sup> October 2019

**Time:** 10.30 – 15.45

**Member attendees:**

Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jenny Pyper  
Commission for Regulation of Utilities (CRU): Aoife MacEvilly, Jim Gannon  
Independent members: Odd Håkon Hoelsæter, Professor David Newbery (Deputy)

**In attendance:**

For all items: Colin Broomfield (UR), Alan Rainey (Economic Adviser to UR), Barry Hussey (CRU), Robert O'Rourke (CRU)

For item 3: Liam Ryan (Eirgrid), Sam Matthews (SONI), Andrew Hipgrave (Eirgrid)

For item 4: Kevin Baron (UR), Kevin Lenaghan (UR), Kenny Dane (UR), Andrew Chattrabhuti (ESP consulting), Padraig Flattery (CRU)

For item 7: Andrew Ebrill (CRU), Padraig Flattery (CRU), Heather Pandich (CRU), Aidan Short (Neueda)

For item 8: Dylan Ashe (CRU)

For item 9: Aidan Short (Neueda)

**Apologies:** Paul McGowan (CRU), Jon Carlton (UR), John Melvin (CRU)

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

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

The Committee welcomed Jim Gannon to the meeting and congratulated him on his recent appointment as CRU Commissioner.

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

The agenda was approved and adopted.

**2. Review and approval of minutes from meeting 145 on 26<sup>th</sup> September 2019**

The minutes from SEM Committee 145 were approved.

**3. TSO feedback – GB power outage**

The TSOs presented a report detailing the Eirgrid group response to the Committee's request for assurances and views from the TSOs on the implications of the GB power outage for the SEM.

An overview of the GB outage was provided including timeline and detail of events as well as an overview of system disturbances in the SEM and SEM market performance. The TSOs provided an overview of their monitoring of compliance with the grid code and steps they take to address any identified issues, assessment of any market issues, contingency arrangements and performance monitoring.

The Committee noted the further work required in relation to the assessment of impacts for the SEM including further engagement with market participants. An update is to be provided to the Committee when this work has been completed.

#### **4. CY2020/21 T-1 and CY2021/22 T-2 auctions**

The CRM team presented in detail an overview of the CY2020/21 T-1 and CY2021/22 T-2 final qualification results.

The Committee discussed the results and the Auction Monitor report noting they were not content with the information available to the Monitor from the System Operators. The Committee suggested amendments to the draft letter to the System Operators to address these concerns. This is also to be followed up by the CRM team to prevent recurrence. It was noted that the Monitor did not identify any significant issues in respect of either auction.

The Committee approved the CY2020/21 T-1 Capacity Auction and CY2021/22 T-2 Capacity Auction qualification results.

The Committee reviewed and considered the CY2020/21 T-1 and CY2021/22 T-2 auctions USPC decisions as presented by the CRM team. Key adjustments to the submissions were discussed along with inframarginal rent, plexos modelling as well as comparisons with previous auctions.

The Committee approved the CY2020/21 T-1 Capacity Auction and CY2021/22 T-2 Capacity Auction USPC decisions.

The Committee discussed the applications and recommendations presented in respect of CY2020/21 T-1 and CY2021/22 T-2 new capacity 10-year reliability option. Detail of the generation was discussed as well as recommendations from the System Operator.

The Committee approved the CY2020/21 T-1 Capacity Auction and CY2021/22 T-2 Capacity Auction new capacity 10-year reliability option decisions.

The System Operator recommendations in respect of volumes for the CY2020/21 T-1 and CY2021/22 T-2 capacity auctions were presented and discussed. The Committee discussed generation outages evidenced in the market as well as options and recommendations presented by the RAs. This included consideration of constraint areas, reserves and demand curves for each auction.



## committee

The Committee approved the RAs' recommendation (option D) for determined volumes for the CY2020/21 T-1 and CY2021/22 T-2 Capacity Auctions.

The Committee considered the RAs' proposals in respect of the Final Auction Information Pack parameters including annual capacity exchange rates. The Committee approved the proposals as outlined for both the CY2020/21 T-1 and CY2021/22 T-2 Capacity Auctions and delegated authority for amendments to the FAIP and issuing of letters to the Oversight Committee.

A request to move the CY2020/21 T-1 and CY2021/22 T-2 Capacity Auction results approval decision to December 2019 was discussed and approved.

The Committee requested that a summary of all decisions to include key tables are to be circulated to Committee members following the meeting.

### **5. MMU update**

The Committee considered the update provided including information in relation to prices and price drivers, interconnector flows, availability of wind and liquidity in the market.

### **6. Brexit update**

The RAs provided an update on preparedness for Brexit. The revised Brexit date of 31 January 2020 was noted.

### **7. Clean Energy Package**

Andrew Ebrill provided an overview of the Clean Energy Package including emissions targets. The Committee discussed the key elements of the package which will impact the SEM including balance responsibility, priority dispatch, market parameters including settlement, technical bidding and value of lost load, capacity remuneration mechanism and regional coordination centres.

Engagement with government departments, market participants and next steps were discussed. Further detail is to be provided at the next Committee meeting.

### **8. System services volume capped procurement outcome**

The Committee considered the systems services volume capped procurement outcome as presented. This included detail of the value of contracts, regulated price assumptions, auction results and winning bids. Next steps including publication of final results was also discussed.

The Committee approved the publication of the system services volume capped outcome with final editorial amendments delegated to the Oversight Committee.

**9. DS3 and wholesale update**

Aidan Short updated the Committee on key workstream progress including the CRM auctions, re-pricing and re-settlement, DS3 re-planning exercise, directed contracts and price controls.

**10. Updates**

**(a) SEMC communications and governance update**

Barbara Stevenson updated the Committee on key communication matters including progress on the SEM Committee annual report. The Committee delegated authority for the final approval of the publication of the report to the Oversight Committee.

**(b) CRU/UR/Independent Members**

Aoife MacEvilly provided an update on recent appointments and ongoing workforce planning exercise.

Jenny Pyper updated the Committee regarding the Department for the Economy Energy Strategy call for evidence and upcoming price controls.

**(c) Legal update**

Robert O'Rourke provided an update to the Committee on the Ministerial Appeal Panel.

**11. Review of actions from meeting 146, Thursday 26<sup>th</sup> September 2019**

No open actions to discuss

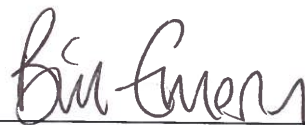
**12. SEMC correspondence**

The Committee considered recently received correspondence.

**13. AOB**

The Committee proposed and agreed Bill Emery would continue as Chair of the SEMC until May 2020.

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



Bill Emery, SEM Committee Chair