

**SEM Committee Meeting
Minutes Meeting No. 147**

Location: UR offices, Belfast

Date: Thursday, 28th November 2019

Time: 10.30 – 14.45

Member attendees:

Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jenny Pyper, Jon Carlton
Commission for Regulation of Utilities (CRU): Paul McGowan, 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), John Melvin (CRU)

For item 3: Tanya Hedley (UR), Dylan Ashe (CRU), Harry Molloy (CRU), Roisin McLaughlin (UR), Jody O'Boyle (UR)

For item 3 (part only): TSOs – Liam Ryan, Ian Conaughton, Jonathan O'Sullivan, Adam Hipgrave

For item 4: Heather Pandich (CRU), Pdraig Flattery (CRU), Tony Doherty (UR), (Jean Pierre Miura (UR)

For item 5: Paul Bell (UR), Kevin Lenaghan (UR), Karen Shiels (UR)

For item 6: Brian Mulhern (UR)

For item 7: Aidan Short (Neueda)

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 146 31st October 2019

The minutes from SEM Committee 146 were approved with minor amendments.

3. DS3 update

Tanya Hedley provided an update on the DS3 project including engagement with the TSOs. The TSOs joined the meeting and provided further detail on RoCoF compliance and validation for both large and small scale generation and control centre tools. The revised implementation plan was presented along with potential risks to the delivery plan.

The Committee acknowledged the progress that has been made since the September meeting. The Committee pressed the importance of the timely delivery of the DS3 programme and asked the TSO to take all steps to deliver 75% SNSP, including investigating the possibility of moving towards the target at smaller increments. The Committee requested that the TSOs return to a Committee meeting in early 2020 to report on progress.

4. Clean Energy package

Heather Pandich updated the Committee on the Clean Energy Package including timelines and impact on key areas of the SEM – balance responsibility, priority dispatch, redispatch, market parameters including settlement, technical bidding and value of lost load, capacity remuneration mechanism and regional coordination centres.

The Committee discussed feedback from other member states and government departments, co-ordination between the RAs as well as timelines.

The Committee endorsed the approach as presented and delegated authority to the Oversight Committee for the approval of an information paper for publication.

5. CRM update

The CRM team provided an update on the provisional results from the T-1 CY2020/21 auction including a comparison with previous auctions and outline of new investment.

The Committee discussed the impact of the Clean Energy Package and the upcoming T-4 capacity auction and were updated on discussions with the government departments. Key next steps were considered with further information to be presented at future Committee meetings.

An update on the appeal to the CJEU was also provided.

6. MMU update

Brian Mulhern provided a summary of recent market performance including pricing across the period. Interconnector efficiency, spark spread and market events were also discussed.

7. DS3 and wholesale update

Aidan Short updated the Committee on key workstream progress including CRM, multi-NEMO arrangements, electricity balancing guidelines, liquidity, price controls, imperfections and EU coupling.

8. Updates

(a) SEMC communications and governance update

Barbara Stevenson updated the Committee on recent communications activities including the annual report, Brexit and publication of the capacity auction results.

(b) CRU/UR/Independent Members

Paul McGowan noted the EU funding decision for the Celtic Interconnector and publication of the cross-border cost allocation decision. The publication of the Irish Water revenue control decision was also highlighted.

Jenny Pyper updated the Committee on an ongoing investigation and SONI governance.

(c) Legal update

None

(d) Brexit

It was noted that work continues in preparation for the Brexit date of 31 January 2020.

9. Review of actions from meeting 146 31st October 2019

The Committee noted the action log and accompanying update.

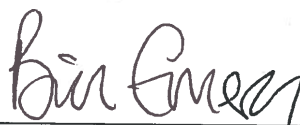
10. SEMC correspondence

Relevant correspondence noted and authority was delegated to the Oversight Committee to respond.

11. AOB

None

Signed: _____



Bill Emery, SEM Committee Chair