

SEM Committee Meeting

Minutes Meeting No. 166

Location: Video-conference

Date: Thursday 27th May 2021

Time: 09.00 – 12noon

Member attendees:

Commission for Regulation of Utilities (CRU): Aoife MacEvilly, Jim Gannon, Paul McGowan

Utility Regulator (UR): Bill Emery (SEM Committee Chair), 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)

For item 3: Grainne Black (CRU)

For item 4: Leigh Greer (UR), Karen Shiels (UR), Roland David (Yellowwood Energy), Peter Wibberley (Yellowwood Energy)

For item 5 Brian Mulhern (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 165, Thursday 29th April 2021

The minutes from SEM Committee 165 were approved.

3. Generator Financial Performance Report

Grainne Black presented the circulated draft Generator Financial Performance report and provided background detail and approach to the analysis. Changes from previous reports were outlined including updated data following the introduction of the new market arrangements in October 2018.



An overview of key findings in the report were outlined including average revenues, profitability, margins, revenue sources and overall average costs.

The Committee discussed further the performance of generation by fuel type and further analysis that could be explored in future reports.

The Committee approved the report for publication.

4. SEMO price control (2021 – 2024) consultation

Leigh Greer provided an overview of the consultation proposals for the SEMO 2021-2024 price control. Opex, capex, financeability, KPIs and price control framework proposals were outlined. Detail of SEMO's submission was also provided.

A summary of engagement with SEMO was detailed alongside market participant feedback through the Participant Consultative Forum.

The Committee discussed further the proposals including development of the KPIs.

The Committee noted the next steps and plans for publication.

5. MMU update

The Committee noted the market monitoring update as circulated.

Brian Mulhern provided a further overview of market prices, carbon prices, plant availability, spark spread and fuel mix volumes. Price trends over the past twelve months, interconnector performance as well as outage planning were discussed further.

6. Covid update

John Melvin provided an update on restrictions as a result of Covid-19 in Rol. Colin Broomfield provided the update in respect of NI.

7. FWP update

Progress on the delivery of key 2020-2021 FWP projects was noted with new projects highlighted. An update on procurement arrangements was also provided.

8. Updates

(a) SEMC communications and governance update

Barbara Stevenson updated the Committee on recent communication activities and governance matters.

(b) CRU/UR/Independent Members

Aoife MacEville noted progress on the Climate Action Plan, security of supply and Green Link interconnector.

John French noted the recent electricity tariff announcement, NI Water price control determination and NISEP launch of schemes.

David Newbery discussed interconnector ramp rates and the Committee agreed a further detailed discussion should be tabled at an upcoming SEMC meeting.

(c) Legal update

No legal issues to discuss.

(d) TCA update

A short update on the Trading and Cooperation Agreement was provided.

9. Review of actions from meeting 165 Thursday 29th April 2021

An update on progress of actions was outlined.

10. SEMC correspondence

The Committee discussed recently received correspondence and provided direction in terms of response. Correspondence and next steps in relation to substantial financial completion correspondence was detailed.

11. AOB

None



Signed: _____

Bill Emery, SEM Committee Chair