

SEM Committee Meeting

Minutes Meeting No. 170

Location: Video-conference

Date: Friday 17th September 2021

Time: 09.15 – 10.15

Member attendees:

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

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

Independent member: Professor David Newbery (Deputy)

In attendance:

Colin Broomfield (UR), John Melvin (CRU), Alan Rainey (Economic Adviser to UR), Karen Shiels (UR), Gina Kelly (CRU), Brian Mulhern (UR), Grainne Black (CRU)

Apologies: Jon Carlton (UR), Odd Håkon Hoelsæter (Independent member)

Minutes: Barbara Stevenson (SEMC Secretariat)

Declarations of interest: No declarations were made

1. Approval and adoption of the agenda

The Chairman thanked the Committee for making themselves available at short notice for this extra-ordinary SEMC meeting which is needed in response to recent market activity. The single item agenda was approved and adopted.

2. TSO Trades and implementation of temporary Trading and Settlement Code Modification

Grainne Black provided an overview of recent market activity including high-priced RO events following TSO trades over the interconnectors taken to ensure system security.

An overview of market participant feedback, lodged disputes and recently received correspondence in relation to the RO events was outlined. The dispute resolution process was detailed and discussed.

The Committee discussed in detail the material market impact of recent TSO trades. Detail of approved Trading and Settlement Code (TSC) modification Mod_02-21 was provided alongside a description of the TSC modification process and implementation timelines. It was noted that Mod_02_21, which was approved in



August 2021 but not yet implemented, is designed to deal with the adverse market outcomes recently observed and being discussed. The Committee sought clarification on the timelines for implementation of the approved modification and engagement with the TSOs to explore the possibility of accelerating implementation.

In absence of the immediate implementation of the modification, the Committee discussed the proposal to raise a temporary modification to the Trading and Settlement Code to set the Balancing Market price to the Market Back Up price in a period in which a TSO trade has been carried out. It was noted that this measure would closely replicate the intention of Mod_02_21 in the short-term until approved Mod_02_21 could be implemented in full. The Committee also discussed the market impacts that have already occurred, that would not have arisen had Mod_02_21 been fully implemented, and what the appropriate course of action might be in relation to these. Further information to be provided by the RAs.

The Committee approved the proposal to raise a temporary modification to the Trading and Settlement Code to set the Balancing Market price to the Market Back Up price in period for which a TSO trade has been carried out. Following the Trading and Settlement Code Modifications Committee, final approval of the modification will be sought via correspondence.

3. AOB

None

A handwritten signature in blue ink that reads 'Bill Emery'.

Signed: _____

Bill Emery, SEM Committee Chair