

SEM Committee Meeting

Agreed Minutes Meeting No. 70

Location: CER Offices, Dublin
Date: Tuesday 25th June 2013
Time: 10.30am – 4.15pm

Attendees: Odd Håkon Hoelsæter (OHH) (Independent Member) (SEMC Chairman) Alan Rainey (AR) (Utility Regulator) (UR), Dermot Nolan (DN) (CER), Garrett Blaney (GB) (CER), Shane Lynch (SL) (UR), Paul McGowan (PMcG) (CER), Bill Emery (BE) (UR)

Apologies: Professor David Newbery (DNew) (Deputy Independent Member).

In attendance:

For all Items: Denis Cagney (DC) (CER), Eugene Coughlan (EC) (CER), Tanya Hedley (TH) (UR), Jean Pierre Miura (JPM) (UR)

For Item 2: Colin Broomfield (CBr) (UR), Brian Mulhern (BM) (UR), Dick Lewis (SONI), Gerry Hodgkinson (NIE), Bill Thompson and Simon Grimes (Eirgrid)

For Item 3: Paul Brandon (PB) (CER), Robert O'Rourke (RO'R) (CER), Bill Thompson, Andrew Cooke and John O'Sullivan (Eirgrid), Stephen Woodhouse and Gary Keane (Poyry)

For Item 4: Colin Broomfield (CBr) (UR), Andrew Ebrill (AE) (CER), Paul Hogan (PH) (CER), Kevin Hagan (KH) (CER)

For Item 5: Paul Brandon (PB) (CER), Robert O'Rourke (RO'R) (CER)

For Items 6a and 6b: Colin Broomfield (CBr) (UR),

For Item 6c: Clive Bowers (CB) (CER)

For Item 6d: Paul Brandon (PB) (CER)

Minute Taker: Mignonne Smith (MS) (SEMC Secretariat)

1. Approval and Adoption of the Agenda

The Agenda was amended and adopted.

2. Approval of Minutes from Meeting 69 on 30th May 2013

The minutes were approved and subject to minor amendments.

Decision Items

3. Firm Access Quantities – NI Generator Connection Process

CBr provided background information in relation to Generator Connection Process and the allocation of Firm Access for Generators in Northern Ireland (NI).

The SEM Committee welcomed representatives from NIE, SONI and Eirgrid and invited them to present on their findings and recommendations from their Consultation Report following consultation with industry in relation to connection arrangements in Northern Ireland as requested by the SEM Committee at their meeting in October 2012.

Following a Q&A session, the SEM Committee endorsed the recommendations from NIE and SONI's Consultation Report and requested that the connection process, for generators in Northern Ireland, was published on the AIP Website.

Action: MMU Team to arrange publication of the generator connection process in Northern Ireland and follow up with NIE and SONI on amending the Transmission Interface Agreement (TIA) to reflect any changes to the connection process for approval and sign off by the Utility Regulator.

Discussion Items

4. DS3

The SEM Committee welcomed representatives from SONI and Eirgrid (the TSOs) and invited them to present on their Recommendations paper which followed an extensive consultation process with key industry stakeholders in relation to DS3 System Services Review.

A Q&A session followed the presentation in which the SEM Committee sought clarification on a number of issues. The Committee thanked the TSOs for their time.

The SEM Committee then welcomed Stephen Woodhouse and Gary Keane of Poyry and invited them to present their findings from their review of the TSOs Recommendations paper on DS3, which was followed by a further Q&A session.

The SEM Committee discussed matters arising from the presentations by the TSOs and Poyry at length and advised the Project Team on next steps for progressing the Project.

5. Improving Competitiveness

DN introduced a discussion on Improving Competitiveness.

Following a discussion at length the SEM Committee requested that the Oversight Committee prepare a paper providing specific options that will quantify benefits, for consideration by the SEM Committee at their meeting in July.

Action: Oversight Committee to prepare a paper providing specific options that will quantify benefits in relation to improving competitiveness, for consideration by the SEM Committee at their meeting in July.

6. FOI Request on SEM Committee's Preliminary Decision – ESB TSO Certification

RO'R provided background information in relation to a Freedom of Information (FOI) Request recently received by the CER regarding the TSO Certification process in Ireland for ESB.

The SEM Committee discussed related issues and agreed to publish redacted versions of their preliminary decision papers on TSO Certification for both Northern Ireland and Ireland.

Standing Items

7. Updates

a. Gas Transportation Capacity Costs

An update on the progression of work in relation to the treatment of Gas Transportation Capacity Costs (GTCC) was provided by CBr. As agreed, at the SEM Committee meeting on the 30th of May, a guidance note on GTCC was published on the 20th of June along with Poyry's Report on this issue and responses to the SEM Committee Consultation (SEM-12-089).

A further consultation will be published on the 31st of July following consideration and approval by the Oversight Committee at their meeting on the 16th of July.

The SEM Committee noted the update.

b. Market Monitoring Update

CBr provided an overview of the Market Monitoring Update Report for June. The SEM Committee noted the update.

c. Market Integration Project Update

The update was noted.

d. Reporting Mechanism for Detailing Constraints and Curtailment

PB provided an update in respect of progress of a Reporting Mechanism for Detailing Constraints and Curtailment that will be provided by the TSOs as requested by the SEM Committee at their meeting on the 7th of February 2013. It was noted that a report would be available for consideration by the SEM Committee at their meeting in July.

e. CER/ NIAUR/ Independent Members Updates

Utility Regulator

SL noted that the Utility Regulator had met with the Enterprise Trade and Investment (ETI) Committee at the Northern Ireland Assembly to discuss the recent announcement by Power NI to increase domestic electricity prices in Northern Ireland by 18% effective from the 1st of July. The ETI Committee will be commencing a review of electricity retail prices and security of supply issues in Northern Ireland.

8. Review of Actions from Meeting 69 on 30th May 2013

Actions 235, 261 and 266 were completed all other actions were updated.

9. Reporting of Decisions made by Oversight Committee to SEM Committee

The update was noted.

10. SEM Correspondence

The SEM Committee noted the correspondence from Lumcloon Energy in relation to DS3 and requested that the Project Team prepare a response letter for sign off by the Chairman.

11. AOB

No further items were discussed

Information Items

12. SEMO Considerations of Price Spikes (Uplift)

The SEM Committee noted SEMO's considerations of spike in uplift on 25th February and their report on increases in uplift during March and April 2013.

Date of Next Meeting:

SEM Committee 71, Thursday 25th July 2013, Utility Regulator Offices, Belfast