

## SEM Committee Meeting

### Agreed Minutes Meeting No. 72

**Location:** CER Offices, Dublin  
**Date:** Thursday 29 August 2013  
**Time:** 10.30am – 3.30pm

**Attendees:** Odd Håkon Hoelsæter (OHH) (Independent Member) (SEMC Chairman), Alan Rainey (AR) (Utility Regulator) (UR), Dermot Nolan (DN) (CER), Garrett Blaney (GB) (CER), Paul McGowan (PMcG) (CER), Professor David Newbery (DNew) (Deputy Independent Member)

**Apologies:** Shane Lynch (SL) (UR), Bill Emery (BE) (UR)

**In attendance:**

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

For Item 3: Paul Brandon (PB) (CER), Robert O'Rourke (RO'R) (CER), Andrew McCorriston (AMcC) (UR)

For Item 4: Elaine Gallagher (EG) (CER)

For Item 6a: Colin Broomfield (CBr) (UR),

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

For Item 8c: Elaine Gallagher (EG) (CER)

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

#### 1. Approval and Adoption of the Agenda

The Agenda approved and adopted.

#### 2. Approval of Minutes from Meeting 71 on 25 July 2013

The minutes were approved and subject to minor amendments.

### Decision Items

#### 3. DS3

DC provided an update on current status of progression of work in relation to the DS3 Systems Services review. The Project Team presented an information note and a consultation paper with a proposed decision on definition of services and proposals on a phased approach.

The project team sought guidance on next steps for progressing the project, they also sought specific advice in relation to the Cost Benefit Analysis (CBA) of the project.

Following a discussion at length, the Committee gave directions to the project board to issue a consultation paper in relation to the definition of services along with the inclusion of the SEM Committee's proposed next steps on DS3.

Authority was delegated to the project board to finalise the paper and publish for consultation by week ending Friday 30 August. The SEM Committee also provided substantive advice in relation to scope for the terms of reference (ToR) of the CBA. The project team and board were directed to finalise the ToR for the CBA and resubmit it to the Committee in October for approval prior to publishing for Information.

**Actions:** Project board and team to amend consultation paper as directed by the SEM Committee and publish by Friday 30 August.

Following workshop with industry participants and relevant experts in September, project board and team to finalise ToR for the CBA on DS3 and submit for consideration and approval to publish, for information, by the SEM Committee at their meeting in October.

#### **4. Interconnector Access Rules – Curtailment Decision**

EG provided an overview of the SEM Committee decision regarding Interconnector Capacity Curtailment and sought approval from the Committee to publish the paper.

The SEM Committee suggested a few minor amendments to the decision paper and gave approval to publish the paper subject to agreed amendments being made.

**Action:** Relevant RA team to amend decision paper on Interconnector Capacity Curtailment as directed prior to publication of the paper.

### **Discussion Items**

#### **5. TSO Certification**

TH provided an update on progression of licence modifications (Mods) required for the implementation of TSO Certification in Northern Ireland. A consultation paper in relation to certification Mods will be published in early September for an eight week period. Following the consultation it is expected that a decision paper will be submitted to the SEM Committee for their consideration and approval to publish at their meeting in December.

**Action:** Following consultation of licence modifications in relation to implementation of TSO Certification in Northern Ireland, UR Team to submit decision paper for consideration by the SEM Committee at their meeting in December.

### **Standing Items**

#### **6. Updates**

##### **a. Market Monitoring Update**

CBR provided an overview of the Market Monitoring Update Report for August. The SEM Committee briefly discussed report highlights and noted the update.

## **b. Market Integration Project Update**

CB provided an overview of the Market Integration Project Update Report for August. It was noted that there has been a delay in the project start date due to issues in relation to the procurement of consultancy support, however the project is expected to commence in September subject to relevant procurement approvals being received.

The SEM Committee noted the update.

## **c. CER/ NIAUR/ Independent Members Updates**

### CER

DN noted that CER are continuing to prepare for water regulation, in lieu of the implementation water charges in Ireland expected to commence on October 2014.

### Utility Regulator

TH noted that there would be no further changes to electricity tariffs in Northern Ireland this year following the increase of tariffs in July. The Enterprise Trade and Investment (ETI) Committee of the Northern Ireland Assembly have commenced their investigation of Gas and Electricity Retail prices in Northern Ireland.

AR noted that with effect from the 31<sup>st</sup> of August, he will be retiring from the Utility Regulator Board and that accordingly, his membership of the SEM Committee would therefore cease at that time also.

## **7. Review of Actions from Meeting 71 on 25 July 2013**

Actions 279 was completed all other actions were reviewed and updated.

## **8. Reporting of Decisions made by Oversight Committee to SEM Committee**

The update was noted.

## **9. SEM Correspondence**

### **a. Correspondence from Benoit Keane**

The SEM Committee reviewed and discussed correspondence received in relation to DS3. The Committee approved the draft response letter subject to agreed amendments.

### **b. Correspondence from Tipperary Energy Agency**

The SEM Committee discussed and reviewed correspondence received from Tipperary Energy Agency. EC noted that the CER would arrange a meeting to discuss and review this issue further.

## **10. AOB**

DN acknowledged that this would be Alan Rainey's last attendance at SEM Committee meetings in accordance with his retirement from the Utility Regulator Board with effect from the 31st of August.

DN thanked Alan, on behalf of the SEM Committee and all RA teams who work on SEM related issues, for sharing his considerable knowledge and expertise which has been invaluable to the Single Electricity Market, with the SEM Committee over the past 6 years.

**Date of Next Meeting:**

**SEM Committee 73, Thursday 26 September 2013, Utility Regulator Offices, Belfast**