

SEM Committee Meeting

Minutes Meeting No. 106

Location: CER Offices, Dublin

Date: Thursday, 30 June 2016

Time: 9.00am – 4.20pm

Member Attendees: Aoife MacEivilly (AMacE) (CER) (SEMC Chair), Bill Emery (BE) (Utility Regulator) (UR), Jon Carlton (JCI) (UR), Garrett Blaney (GB) (CER), Paul McGowan (PMcG) (CER), Odd Håkon Hoelsæter (OHH) (Independent Member), Professor David Newbery (DN) (Deputy Independent Member)

Apologies: Jenny Pyper (JP) (UR)

In attendance:

For all Items: Jo Aston (JA) (UR), Brian McHugh (BMcH) (UR), Alan Rainey, (AR) Economic Adviser to UR, John Melvin (JM) (CER), Laura Brien (LB) (CER); and Elaine Gallagher (SEMC Secretariat)
For Item 3: Simon Grimes (SG) (EirGrid), Robert McCarthy (RMcC) (EirGrid), and Sarah Friedel (SF) (SONI);

For item 4a: Paul Bell;

For item 4b: JA and LB;

For Item 5: Leigh Greer (LG) (UR), Gary Keane (GK) (Poyry), Stuart Coleman (SC) (CER), and Elaine Gallagher (EG), CER;

For Item 6: Colin Broomfield (CBr), Thomas Quinn (TQ) (CER), Brian Mulhern (BM) (UR), and Andrew Chattrabhuti (AC) (ESP Consulting);

For Items 7 and 8: Robert O'Rourke (ROR) (CER), and Paul Bell (PB) (UR);

For items 10 and 11: Helen Mounsey-Baker (HMB) (I-SEM Project Manager, ESP Consulting)

Minute Taker: Elaine Gallagher

Preliminaries:

Declarations of Interest:

The chair invited members to make declarations of interest. No declarations were made.

1. Approval and Adoption of the Agenda

The agenda was approved.

2. Review and Approval of Minutes from meeting 105 on 26 May

Minutes approved subject to minor editorial amendments. Matters arising from the minutes were discussed.

3. Euphemia Presentation by TSOs for Information

Representatives from EirGrid and SONI made a presentation on the results of the Euphemia trialling. A link to the reports on the Initial and Commercial Phases to be circulated by the Secretariat for SEMC members.

SEM Committee acknowledged the work of SEMO and the Working Group as part of this workstream. The SEM Committee noted that consideration of new technology including demand side would be important going forward.

4. (a) MMU Quarterly Report

PB brought the SEM Committee through the report and a detailed discussion followed. A number of minor amendments were suggested. The report was approved for publication subject to suggested minor changes. An updated version of the MMU Quarterly Report is to be circulated to the Committee for information.

(b) REMIT MoU Update

LB drew the Committee's attention to this issue which had been actioned for Project Board at SEMC 105. LB noted that this work would form part of the Regulatory Framework work which was commencing within the Governance and Licencing Team. S&W provided a broad outline of the content of any proposed MOU. Project Board will progress the work with parallel discussions at CER Commission and UR Board to discuss the approach and the pragmatic considerations of this work for the respective regulatory authorities.

(c) SEMC Communications Update

The communications update was taken as read. Committee noted that access to website www.allislandproject.org would cease on 30 June 2016, and that the transfer of all remaining documents to www.semcommittee.com, the new website of the SEM Committee, should be completed in the coming weeks.

AR proposed reviewing the I-SEM Hymn Sheet in the context of Brexit. EG to liaise with Greg Irwin (GI) in UR.

(d) SEMC Members Update

BE provided an update on the recent Senior Stakeholders forum. The Committee also noted Bill Emery's recent appointment to the Expert Commission on Domestic Public Water Services in Ireland.

The CER Commissioners noted that an initial meeting had taken place with newly appointed Minister of Communications, Climate Change and Natural Resources Denis Naughten.

LB provided an update on the Energy Bill noting that it is envisaged that the Bill would be passed before the Dáil rises on 21 July.

DN provided an update on the GB capacity auction. DN also noted preliminary simulations of a student from Fulton University looking at capacity in current SEM through use of historical data.

Decision Items

5. TSO Synergies and Conflicts of Interest Information Paper

GK and LG provided an overview of the Information Paper on TSO Synergies and Conflicts of Interest which was discussed at length by the Committee. The Committee commended the team for the work done by the Governance and Licencing team as well as the substantial contribution of Jenny Pyper and Garrett Blaney to discussions. SEM Committee approved the publication of the Information Paper subject to final agreement on the precise drafting of a number of sections with EirGrid. Additionally, final sign-off of Information Paper was delegated to Project Board.

6. I-SEM CRM Decision Paper 3

CBr outlined the key elements of CRM Decision Paper 3 which were supported and approved by the Committee, and a detailed discussion ensued. The Decision Paper was approved for publication subject to any editorial changes required by project board. CBr also informed the Committee that the De-Rating Consultation Paper will be published in August 2016.

The SEM Committee was of the view that 'locational signals' more accurately captured the concept of managing exit and entry and that 'locational signals' should be used going forward. The Decision on locational signals and pricing will be considered by SEM Committee later this year with the consultation issuing in August 2016.

Discussion and Information Items

7. DS3 Qualification Process

ROR gave a presentation to the Committee on developments thus far. The SEM Committee acknowledged the work done by the project team. PB to consider thresholds for qualifications as well as emerging technologies in ongoing policy development considerations.

8. DS3 Project Update

ROR gave an overview of developments in the DS3 Project. The project team noted that the project plan will be delivered in August. Papers for forthcoming SEM Committee meetings were highlighted and will include:

- DS3 Qualification Process
- DS3 Interim Tariffs
- DS3 Contracts

9. Brexit Briefing

The SEM Committee discussed the implications of Brexit and scoped the content of a press statement which should also be shared with the Departments and displayed on the websites. The final coordination of a press statement was delegated to the Chair, who would circulate a final

version for the committee members for comment. PMcG and JP to discuss this issue in advance of JSG on 21 July 2016.

10. I-SEM Project Update and I-SEM Stock-Take

Items 10 and 11 were taken together. HMB provided a forensic update on I-SEM milestones as well as taking a holistic assessment of delivery of both the DS3 and I-SEM projects. The Committee were of the view that a further assessment of delivery against project milestones would be beneficial in September 2016.

12. Review of Actions from meeting 105 on 26 May 2016


Actions were reviewed and updated.

13. SEM Correspondence

A representation from SSE was delegated to Project Board.

14. AOB

None.

Signed: 

Aoife MacEivilly, Commissioner, CER, SEMC Chair

Date of Next Meeting: Thursday, 28 July, UR Premises, Belfast