



SEM Committee Meeting

Minutes Meeting No. 200

Location: Virtual

Date: Tuesday 19th December 2023

Member attendees:

Commission for Regulation of Utilities (CRU): Jim Gannon, Aoife MacEvilly
Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jon Carlton, John French
Independent members: Jonathan Hodgkin, Chris Harris (Deputy)

In attendance:

For all items: John Melvin (CRU), Colin Broomfield (UR), Kevin Shiels (UR), Greg Irwin (UR)

For items 3 and 4: Marie Therese Campbell (UR), Ciaran Breen (UR), Andrew Chattrabhuti (ESP consulting), Kevin Baron (UR), Emer Gerrard (CRU), Elvis Sebastian (CRU), Jean Pierre Miura (UR)

For item 5: Leigh Greer (UR), Caroline Winder (UR), Emer Gerrard (CRU)

For item 6: Lisa Murray (CRU), Sheena Byrne (CRU)

For item 7: Bryan McGreal (UR), Brian Mulhern (UR)

For item 9(c): Elaine Cassidy (UR)

Apologies: None

Minutes: Barbara Stevenson (SEMC Secretariat)

Declarations of interest: None

1. Approval and adoption of the agenda

The agenda was approved and adopted.

2. Review and approval of minutes from meeting 199, Thursday 30th November 2023

The minutes from SEM Committee meeting 199, Thursday 30th November 2023 were approved subject to minor amendments.

3. CMC substantial financial completion extension requests

Ciaran Breen provided detail of recent substantial financial completion extension requests. Engagement with relevant market participants was summarised and next steps noted.



The Committee approved the substantial financial completion extension requests as presented.

4. CRM 2024 capacity auction options

Andrew Chattrabhuti summarised recent capacity auction results and outlook for future capacity years. Options for capacity auctions in 2024 were detailed including relevant timelines. Marie Therese Campbell summarised TSO feedback received on capacity auction options.

The Committee discussed the advantages and limitations of options presented alongside the need to provide clarity for investors. The need for early engagement with industry was stressed to help inform auction parameters.

The Committee approved the T-3 (2027/28) auction to be held in 2024. Relevant communication outlining the decision to hold a T-3 auction is to be drafted and published. An industry forum is to be arranged to gather feedback and inform the auction parameters.

5. National Resource Adequacy Assessment process

Caroline Winder presented an update on the National Resource Adequacy Assessment (NRAA) process as circulated.

The Committee discussed the value of lost load standard and criticality of the NRAA process. Concerns with the GCS process were highlighted. A summary of the ongoing methodology consultation by the TSOs was discussed.

The need for consistency of approach across jurisdictions was stressed. Next steps were noted.

6. Current and future trends of directed contracts

Lisa Murray presented the recent and potential future trends of Directed Contracts (DCs). The market impacts of recent commodity price volatility and amendments to DC modelling processes as a consequence were outlined.

The monetary value, average prices of DCs sold, total volumes purchased and difference payments were presented. The impact of increased interconnection, increased renewables and opportunities for hedging were explored.

7. MMU update

The Committee noted the MMU update as circulated. Bryan McGreal provided further detail on key market outcomes during November including day-ahead market



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prices, demand, wind availability, gas prices, carbon prices, coal prices, imperfection costs and interconnector flows.

The Committee discussed the market fuel mix and forward prices.

8. FWP update

The Committee noted the publication of, and verbal update on, the October 2023 – September 2024 FWP.

9. Updates

(a) SEMC communications and governance update

Barbara Stevenson updated the Committee on recent communication activities including progress on the development of the October 2022 – September 2023 annual report.

(b) CRU/UR/Independent Members

Jim Gannon provided an update on the national energy demand strategy consultation, market revenue cap, Uisce Eireann's water charges plan, decision on the Gas Network Ireland price control, offshore wind projects pathway, smart metering and decision on the proximity requirements for renewable energy communities.

John French provided an update on the NI political context, NI Water, NIE Networks price control consultation (RP7) publication, UR FWP consultation publication and NI Affairs Select Committee.

(c) Legal update

A verbal update on legal matters was provided including next steps in a recent judicial review decision.

10. Review of actions from SEMC meeting 199, Thursday 30th November 2023

The Committee discussed open actions.

11. SEMC correspondence

The Committee discussed recently received correspondence and provided direction for response.



12.AOB

Colin Broomfield provided an update on NTC reductions and current policy direction by the RAs.

Recent engagement with the Department of the Environment, Climate and Communications and Department for the Economy was provided.

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

Signed: _____

Bill Emery, SEM Committee Chair, (February 2024)