

SEM Committee Meeting

Minutes Meeting No. 22

Location: Belfast.
Date: 27th Oct. 2009
Time: 10.30 – 3.00 pm

Attendees: Michael Tutty (CER, Chairman), Dermot Nolan (CER), Dermot MacCann (NIAUR), Alan Rainey (NIAUR), Iain Osborne (NIAUR), Ignacio Perez-Arriaga, Jose Sierra.

In attendance:

For all items Eugene Coughlan (CER), Shane Lynch (NIAUR)
For Agenda Item 4a. Priti- Dave Stack (CER)
For Agenda item 4c. Priti- Dave Stack (CER)
For Agenda item 5. Paul Bell (NIAUR), Colin Broomfield(NIAUR)

Minute Taker: Paul O Neill (CER)

1. Adoption of agenda

Agenda adopted.

2. Approval of Minutes.

Minutes of the meeting of 22nd Sept. 2009 were approved subject to minor edits.

3. Review of Action List.

Item 95, 96, 99 closed, 97, 98 ongoing.

4.a GUA Cancellation Jurisdiction. SL/PDS

SL took the meeting through a presentation on the question of jurisdiction for cancellation of the Generator Unit Contracts. This outlined the type of plant involved, their output capacity and the cancellation dates possible. The high level objectives of the SEM as set out in legislation were discussed and some preliminary analysis of the possible impact of cancellation was set out. The SEM Committee recognised as relevant to jurisdictional issues questions like: whether impact is on SEM rules or on the market itself; how to assess the materiality of impact in advance of having completed a full analysis; and the meaning of “material”. The Committee was minded to take the view that the cancellation or otherwise of the Generator Unit Contracts is not a SEM matter, but noted the difficulty of assessing the materiality of impact of a wide range of possible cancellation decisions at different dates. The Committee agreed that NIAUR should take the matter forward but that the SEM Committee would review the question of jurisdiction again once NIAUR has

concluded what action it proposes to take, and before cancellation powers were exercised.

Action: A further paper on jurisdiction to be submitted to the SEMC once NIAUR has determined what cancellation actions it proposes to take **SL**

Action: Paper on process and criteria for determining jurisdiction between RA and SEMC to be submitted to the next meeting **Oversight Committee**

4.b SEM 2009 Contracting Report. EC

The report was noted by the Committee.
The Committee requested a short paper setting out some possible options for getting more liquidity into the NDC market.

Action; Prepare paper on liquidity in the NDC market. PBr.

4.c Scope of the Medium Term CPM Review. PDS

PDS took the meeting through a high level review of the responses to the consultation. PDS also outlined the ten work packages and the timelines for the review. The paper was approved for publication subject to minor edits.

Action; Edit and publish CPM Medium Term Review Information paper. TW

5. MMU Update. PB/CB

MMU update was noted by the Committee.

6. Update on TSC Modifications

The TSC Modifications update was noted by the Committee.

Action. SR should be available for the next meeting to talk to report. SR

7. Reporting of the decisions of the Oversight Committee. PON.

Decisions were noted by the Committee.

8. Updates CER/NIAUR/Independent members

9. AOB

The incoming Chair of the SEM Committee Iain thanked Michael for his contribution as Chairman for the past 6 months.

Date of next meeting: **Strategy Day** 23rd Nov 10.30 – 5.00, CER Offices
SEM Committee 24th Nov. 9.30 – 1.00 CER Offices