

SEM Committee Meeting
Minutes Meeting No. 123

Location: UR offices, Belfast

Date: Thursday, 30 November 2017

Time: 10.30 – 14.45

Member attendees:

Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jenny Pyper Jon Carlton
Commission for Regulation of Utilities (CRU): Paul McGowan, Garrett Blaney, Aoife MacEivilly

Independent members: Professor David Newbery (Deputy)

In attendance:

For all Items: Jo Aston (UR), Alan Rainey (Economic Adviser to UR)

For items 1- 7: Laura Brien (CRU), John Melvin (CRU)

For item 3: Elaine Cassidy (UR), Gordon Downey (Shepherd and Wedderburn)

For item 5: John Mills (UR), Andrew McCorriston (UR), Helen Mounsey (ESP consulting)

Apologies: Odd Håkon Hoelsæter

Minutes: Barbara Stevenson (SEMC Secretariat)

Declarations of interest: No declarations were made.

1. Approval and adoption of the agenda

The agenda was approved and adopted.

2. Review and approval of minutes from meeting 122 on 26 October 2017

The minutes from SEM Committee meeting 122 were approved subject to legal review and a couple of minor amendments.

3. Legal update

Laura Brien provided an update on legal matters and noted the update from Shepherd and Wedderburn (S&W). The committee discussed the formation of an Appeal Panel by the Department of Communications, Climate Action and Environment as well as JR proceedings and governance arrangements (the objective of which is ensuring that the defence of the Appeal and JR proceedings fully respects the SEMC perspective and ensures that the benefit of S&Ws knowledge and expertise is fully available to support the defence of those proceedings).

The Committee also noted and approved the publication of the market update on the SEM Committee website.

4. I-SEM/DS3 project updates

Helen Mounsey provided an I-SEM readiness stage gate update. She updated the Committee on governance, TSO/MO and participant readiness in both the capacity market and market trial entry.

She also provided an update on:

- Governance
- Costs
- Business as usual items

The Committee welcomed and noted the significant progress that has been made and thanked all involved.

Andrew McCorrison provided the Committee with an update on DS3 matters including:

- RoCoF
- Enduring tariffs

5. Updates

a. SEMC communications strategy update

SEMC noted the communications update. Barbara Stevenson advised the committee of changes to the stakeholder engagement programme including date changes.

b. CRU/Utility Regulator/Independent members

Paul McGowan provided an update on:

- OECD review
- Internal audit on SEM governance

Jenny Pyper provided an update on:

- Gas market operator go-live
- CMA referral
- Energy Institute/UR strategic event

David Newbery led a discussion on a comparison between the capacity markets in the SEM and GB as well as a discussion on carbon price floor.

6. Review of actions from meeting 122 on 26 October 2017

The actions were noted.

7. SEM correspondence



No items of correspondence were tabled for discussion.

8. Stakeholder update

The SEM committee updated a number of stakeholders on the I-SEM project.

9. AOB

The committee discussed and noted their approval of the CRM first auction pack, TSO final qualification decisions and the alternative auction solution methodology. The Committee commended the team on reaching this significant milestone.

Garret Blaney provided an update on ACER market monitoring.

The Committee noted Odd Håkon Hoelsæter's absence from the meeting and wished him a speedy recovery.

Signed: _____

Bill Emery, SEM Committee Chair