

**SEM Committee Meeting**  
**Minutes Meeting No. 135**

**Location:** CRU offices, Dublin  
**Date:** Thursday, 25<sup>th</sup> October 2018  
**Time:** 10.30 – 14.00

**Member attendees:**

Utility Regulator (UR): Bill Emery (SEM Committee Chair), Jenny Pyper, Jon Carlton  
Commission for Regulation of Utilities (CRU): Paul McGowan, Aoife MacEvilly, Garrett Blaney  
Independent members: Odd Håkon Hoelsæter, Professor David Newbery (Deputy)

**In attendance:**

For all Items: Jo Aston (UR), John Melvin (CRU), Alan Rainey (Economic Adviser to UR),  
For item 3: Brian Mulhern (UR), Joe Craig (UR), Kevin Hagan (CRU) Helen Mounsey (ESP Consulting)  
For items 4 and 5: Paul Bell (UR), Kevin Lenaghan (UR), Kevin Baron (UR), Andrew Chatrabhuti (ESP consulting), Stuart Ffoulkes (ESP Consulting)  
For item 6: Helen Mounsey (ESP Consulting)

**Apologies:** None

**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 134 on 27<sup>th</sup> September 2018**

The minutes from SEM Committee 134 were approved subject to minor amendments.

**3. Market Monitoring Unit update on SEM**

The Committee noted the SEM market monitoring report for 1 – 14 October as submitted. Brian Mulhern presented a further market monitoring update including an overview of market prices, interconnector flows, constraints and market participant activity in the day ahead, intra day and balancing markets.

The Committee discussed further the operation of the new market as well as market participant feedback. The Committee commended the market monitoring team for the quality of the information available as well as the analysis and presentation of key data.

#### **4. CRM Unit Specific Price Caps**

Paul Bell provided detail of the proposed unit specific price cap (USPC) recommendations for the 2019/20 T-1 capacity auction including an overview of the USPC process, overview of the modelling used, high level summary of the results and overview of the differences between the draft and final decisions.

The Committee further discussed consistency of approach in the process, the recommendations for specific applicants and sought further explanation and detail of how final recommendations were reached.

The Committee approved the proposed USPC recommendations and delegated final approval and issue of the USPC decision letters to the Oversight Committee. Relevant documentation is to be updated following Committee feedback.

#### **5. CRM Qualification Results**

The Committee considered proposals for the 2019/20 T-1 capacity auction qualification results as presented. In addition to the information submitted, Paul Bell provided further details of the net de-rated capacity for 2019/20 and comparison with 2018/19, locational requirements, technology class and demand side units.

The Committee approved the 2019/20 capacity auction qualification results. Outstanding decisions in respect of units subject to derogation requests or disputes are to be made via correspondence.

#### **6. SEM/DS3 update**

Helen Mounsey updated the Committee on:

- Issues and follow up actions following market go-live
- Overview of ongoing challenges
- 2018-2020 SEM milestones
- Update on defect fixes

The committee discussed the ongoing governance arrangements for the oversight of day two project issues as well as strategic planning.

The DS3 update was noted.

**7. Updates**

**a. SEMC communications strategy update**

Barbara Stevenson updated the Committee on recent communication activities as well as ongoing improvements to the website and communication materials.

**b. CRU/Utility Regulator/Independent members**

Paul McGowan noted the CRU strategic plan and Green Link determination. A discussion also took place on the recently published paper, Dublin security of supply: Measures to mitigate the risk of disorderly exit.

Jenny Pyper highlighted the forthcoming publication of the consultation on the new Utility Regulator Corporate Strategy, recently published Northern Ireland (Executive Formation and Exercise of Functions) Bill, BEIS Electricity technical notice publication and updated the Committee on the consideration of derogation requests.

David Newbery highlighted the recently published IFRI Brexit report, Electricity and the No-Deal Scenario: Perspectives from Continental Europe, Ireland and the UK.

**8. Review of actions from meeting 134 on 27<sup>th</sup> September 2018**

The action log was considered.

**9. SEM correspondence**

Relevant correspondence was reviewed.

**10. AOB**

None

Signed:   
Bill Emery, SEM Committee Chair