



SEM Committee Meeting

Minutes Meeting No. 206

Location: Ballymascanlon Hotel, Dundalk

Date: Thursday 27 June 2024, 9.30 a.m.

SEM Committee:

Commission for Regulation of Utilities (CRU): Jim Gannon, Aoife MacEvilly, Fergal Mulligan (CRU)

Utility Regulator (UR): Bill Emery (Chair), Jon Carlton, John French

Independent members: Jonathan Hodgkin, Chris Harris (Deputy)

In attendance:

All items: John Melvin (CRU), Colin Broomfield (UR), Kevin Shiels (UR)

Item 3: Emer Gerrard (CRU), Elvis Sebastian (CRU), Valeria Arenas Montano (CRU), Andrew Chattrabhuti (ESP consulting), Marie-Therese Campbell (UR), Jean Pierre Miura (UR), Kevin Baron (UR), Shreya Chhetri (CRU),

Item 4: Damien Doone (UR)

Item 5: Damien Doone (UR)

Item 6: Sheena Byrne (CRU)

Item 7: Barry Hussey (CRU)

Item 8: Owen Kearns (UR)

Item 9: Lisa Tate (UR), Chris Goodman (UR)

Apologies: None

Minutes: Greg Irwin (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 205, Thursday 31 May 2024

The minutes from SEM Committee meeting 205, Thursday 31 May 2024 were approved for publication.

3. T-4 Auction 2027/2028 volumes

Emer Gerrard introduced this item which provided an information paper to improve transparency around the setting of capacity auction volumes.



The Committee welcomed the purpose of the information paper in explaining considerations around capacity auction volume setting. There was a discussion on the engagement with the TSOs on the information paper and transparency on auction volumes more broadly.

The Committee approved the publication of the information note.

4. SFC, LSD and CQEDT Extensions Request

The Committee considered and approved a Substantial Financial Completion (SFC) extension request, received by the Regulatory Authorities (RAs) under J.5.2.2 of the Capacity Market Code.

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The Committee considered and approved a SFC extension request, received by the RAs under J.5.2.2 of the Capacity Market Code.

6. Imperfections Charges submission 2024/2025

Sheena Byrne introduced this item which set out the key elements of the TSOs' 2024/2025 imperfection charges submission.

The focus of the Committee's discussion was around a provision made for potential payments to market participants under Article 13 of Regulation (EU) 2019/943. The Committee considered it appropriate to include the current best estimate of the potential liability in tariffs based on the TSOs estimate. There was also a discussion on the collection of these costs in the upcoming tariff, and the potential to mitigate the impact of these costs on customer bills in subsequent years. The timing of the publication of the consultation was also briefly touched on.

Subject to consideration of the comments provided during the discussion, the Committee approved the publication of a consultation paper on the level of Imperfections costs for recovery through Imperfections Charges in Tariff Year 2024/2025, as submitted by the TSOs, and the associated forecast submissions received from the TSOs.

7. TSOs Report under Article 13 (4) of Regulation 2019/943

John Melvin introduced this item which was a draft report provided by the TSOs on market redispatching in fulfilment of Article 13(4) of EU Regulation 2019/943.

The Committee noted the intention to consult on the draft report and considered opportunities to enhance the report's content. Engagement with ACER was discussed. The timetable for reporting on compliance with the Regulation 2019/943 was also clarified.

The Committee endorsed the proposed consultation on the draft report and noted that the timetable for approving the final draft of the report at a future meeting.

8. MMU update

Owen Kearns provided an overview on key market outcomes during May including day ahead prices, renewables output and interconnector flows. A suggestion was made regarding the presentation of solar output data.

The Committee noted the report as presented.

9. Updates

(a) All Island Programme update

Chris Goodman introduced a paper that sought approval of an initial funding estimate for the TSOs Strategic Markets Programme (SMP).

Much of the Committee's discussion was in relation to funding for the SMP in the context of some uncertainty over the scope of the programme.

The Committee approved the funding recommendation for the SMP.

The Committee also noted the All-Island Programme update.

(b) SEMC communications and governance update

The Committee discussed the strategy workshop from the previous day, and it was agreed that an update would be provided on the SEMC strategy/vision, strategic risks, and SEMC communications at the August SEMC meeting.

(c) CRU/UR/Independent Members

Jim Gannon provided an update on issues including Irish government changes, discussion around energy affordability and competition concerns, gas and electricity tariffs, the National Energy Demand Strategy, large energy user connections, non-domestic water tariffs, the Shannon water supply project and CRU recruitment.

John French provided an update on issues relating to UR vires, the funding of NI Water, UR Board and staff recruitment.

There was no update from the independent members.

(d) Legal update

Elaine Cassidy provided an update on litigation issues.

10. Review of actions from SEMC meeting 205, Thursday 31 May 2024.

The Committee discussed open actions. The Committee approved the issue of a consultation on the Generator Financial Performance reporting framework.

11. SEMC correspondence

The Commission discussed recently received legal correspondence and related action.

12. AOB

The Committee thanked Aoife McEvilly, who was attending her last meeting, for all her years of service and wished her well for the future.

The meeting concluded at 12.05 p.m.



Signed: _____

Bill Emery, SEM Committee Chair