



SEM Committee Meeting

Minutes Meeting No. 208

Location: UR Offices, Belfast

Date: Thursday 26 September 2024, 12.00 p.m.

SEM Committee:

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

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

Independent members: Jonathan Hodgkin, Chris Harris (Deputy)

In attendance:

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

Item 3: Robert O'Rourke (CRU), Dylan Ashe (CRU)

Item 4: Emer Gerrard (CRU), Charlene Little (CRU), Elvis Sebastian (CRU)

Item 5: Robert O'Rourke (CRU), Bronagh McKeown (UR), Alexandria Charmoli (CRU)

Item 6: Emer Gerrard (CRU), Caroline Winder (UR), Paulino Garcia (UR), Valeria Arenas Montano (CRU)

Item 7: Owen Kearns (UR)

Item 8: Leigh Greer (UR), Lisa Tate (UR), Marie-Therese Campbell (UR), John Ging (Eirgrid), Dave Carroll (Eirgrid), Kevin O'Neill (SONI), Gerard Carlin (SONI)

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 207, Thursday 29 August 2024

The minutes from SEM Committee meeting 207, Thursday 29 August 2024, were approved for publication, subject to two amendments.

3. DASSA Product review and Locational Methodology

Robert O'Rourke introduced this item which sought the Committee's approval for the decision paper on the Day Ahead System Services Auction (DASSA) Product



Review and Locational Methodology, under the Future Arrangements for System Services (FASS) project. As part of his introductory comments, he briefed the Committee on responses to the TSOs' consultation paper.

The Committee discussed the analysis conducted by the TSOs. The TSOs recommendations on the technical products, and the detail provided around these products, was also discussed.

In noting that further work was required by the TSOs prior to the DASSA go-live, the Committee emphasised the importance of clear communication with industry and the setting of milestones for completing the outstanding work.

Subject to consideration of the Committee's comments, approval was provided to delegate the publication of the decision paper to the SEM Oversight Committee.

4. CMC Modification CMC_07_24

Emer Gerrard introduced this item, which provided an overview of the proposed decision for Energia's CMC modification proposal, CMC_07_24: Treatment of Capacity Constraints of Varying Duration in Constrained Auction Solution.

The Committee considered the responses to the consultation on CMC modification proposals and noted the range of views expressed.

The Committee agreed to the recommendation to approve in principle a modification proposal subject to consideration of an impact assessment to be provided by the TSOs. The importance of finalising the modification proposal expeditiously was emphasised by the Committee.

5. Low Carbon Inertia Services (LCIS)

Alexandria Charmoli introduced this item, which related to the outcome of a procurement process to procure Low Carbon Inertia Services (LCIS).

The Committee welcomed the successful outcome of the first phase of the procurement process which saw the amount of LCIS procured exceed the target set. The need to communicate the benefits of the LCIS, in terms of increasing renewable and low carbon generation, and ensuring security of supply procured was emphasised by the Committee.

The Committee provided delegated authority to approve the information note on LCIS Phase 1 for publication by the SEM Oversight Committee.



6. NRAA update

Emer Gerrard introduced a presentation which updated the Committee on the National Resource Adequacy Assessment (NRAA). Caroline Winder, Valeria Arenas Montano and Paulino Garcia spoke to the detail of the presentation.

The Committee discussion focused on the robustness of the base case assessment for electricity supply and demand. The assumptions made for the various elements affecting the base case were discussed.

In noting the next steps in the development of the NRAA, the Committee encouraged further dialogue with the TSOs to ensure that the published assessment would authoritatively assist decision-making around future capacity requirements.

7. Market Monitoring Unit (MMU) update

Owen Kearns provided an overview on key market outcomes during August including market prices, demand, wind availability, gas prices, carbon prices, coal prices, imperfection costs and interconnector flows.

The Committee discussed market pricing trends and the reasons behind changing prices. The scope for further developing the range of data presented as part of the MMU report was also briefly covered.

8. Updates

(a) All Island Programme (AIP) update

- AIP Joint Programme Board

Representatives from the TSOs attended, to provide an update on the AIP Programme Board, specifically in relation to the following AIP Programme areas: Future Arrangements for System Services, the Strategic Markets programme, the Scheduling and Dispatch programme and the multi-year plan.

Committee members discussed progress in each area, engagement with stakeholders on the AIP Programme and delivery on programme actions. There was also a discussion on the overall outcomes that should result from delivering the AIP Programme.

The Committee noted the update and welcomed further engagement with the AIP Programme Board, particularly in respect of developments on the multi-year plan.

- All-Island Programme update



Lisa Tate provided an overview of the All-Island Programme update. The Committee briefly discussed the Terms of Reference for the EirGrid/SONI Joint Programme Board and external PMO procurement.

(b) SEMC communications and governance update

The Committee noted the outcome of the strategy workshop that had been held prior to the meeting. It was agreed that as an initial first step, the Chairperson CRU would draft a note/ letter outlining SEMC vires and remit. There was also a commitment to continue the work on strategic communications in the context of the three general approaches outlined at the workshop.

It was agreed that SEMC governance training should be organised.

(c) CRU/UR/Independent Members

Jim Gannon welcomed Dr. Tanya Harrington who was recently appointed as a CRU Commissioner. He also updated the Committee on a recent meeting with Ofgem, gas security of supply, engagement with EU energy regulators, the Draghi report on the future of EU competitiveness, TUoS and DUoS tariff announcements and CRU staffing. He thanked Bill Emery, who was attending his last Committee meeting, for his service on the Committee and wished him well for the future. Bill said that he had enjoyed his time on the Committee and thanked Committee members for their support over the years.

John French also thanked Bill for his service to the Committee and UR and provided an update on new appointments to the UR Board. He also updated the Committee on engagement with the Northern Ireland Assembly on the democratic consent mechanism, the recent Northern Ireland Energy Forum, the appointment of Elaine Cassidy as UR price controls director and retail tariff reviews.

Chris Harris noted the establishment of the National Energy System Operator and the 'Mission Control' work being headed by Chris Stark in GB.

(d) Legal update

John Melvin provided a progress update on the Article 12/13 litigation.

7. Review of actions from SEMC meeting 207, Thursday 29 August 2024.

The Committee discussed open actions.

8. SEMC correspondence

The Commission discussed recently received correspondence and action by the SEM Oversight Committee to prepare a response.



9. AOB

An update was provided on the work being undertaken for the T-4 capacity auction, which would be an agenda item at the next SEM Committee meeting.

The meeting concluded at 3.10 p.m.

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

Signed: _____

Bill Emery, SEM Committee Chair