

## SEM Committee Meeting

### Minutes Meeting No. 58

**Location:** Utility Regulator Offices, Belfast  
**Date:** Thursday 30<sup>th</sup> August 2012  
**Time:** 10.30am – 4.30pm

**Attendees:** Garrett Blaney (GB) (CER) (SEMC Chairman), Dermot Nolan (DN) (CER), Alan Rainey (AR) (Utility Regulator) (UR), Shane Lynch (SL) (UR), Ignacio Perez-Arriaga (IP-A) (Independent Member), Jose Sierra Lopez (JS-L) (Deputy Independent Member).

**Apologies:** Tanya Hedley

**In attendance:**

For all items: Jean Pierre Miura (JPM) (UR), Cathy Mannion (CM) (CER), Colin Broomfield (CBr) (UR) Robert O'Rourke (RoR) (CER)  
For items 4, 5 and 6: Gordon Downie (GD) (Shepherd and Wedderburn) (S&W)  
For Item 5: Joe Craig (JC) (UR)  
For Item 6: Kenny Dane  
For Item 7: Denis Cagney (DC) (CER), Andrew McCorriston (AMcC) (UR)  
For Item 8: Fergus O'Toole (FO'T) (CER)  
For items 9, 10 and 11: Sheenagh Rooney (SR) (CER)

**Minute Taker:** Samantha Young (UR)

#### 1. Approval and Adoption of the Agenda

The chairman welcomed Paul McGowan, who is a newly designated commissioner in CER as an observer to the meeting. The agenda was adopted.

#### 2. Approval of Minutes from Meeting 57 on 26<sup>th</sup> July 2012

The Minutes were adopted subject to minor amendments.

#### 3. Review of Actions from Meeting 57 on 26<sup>th</sup> July 2012

The actions were approved and updated.

#### **4. Curtailment**

The SEM committee discussed the issue of Treatment of Curtailment in Tie Break situations at length. A number of options were provided by the project team, the strengths and weaknesses of each option were fully considered against the SEM committees decision making criteria.

An agreement was reached to issue a proposed decision which represents a variation of the options considered.

**Action:** Project team to finalise and publish proposed decision paper subject to oversight approval.

#### **5. TSO Certification Decision Update**

AR provided an update on behalf of the SEM Sub Committee regarding the current status of TSO Certification process, including a selection of working paper which had been circulated to the committee. AR also provided a verbal update on the applications and the progress on completion of a draft preliminary decision paper,.

It was agreed that a special SEMC meeting will be held on the 6<sup>th</sup> of September with the intention of establishing a position for in preparation for a meeting with the European Commission on 14 September. Preparation of paper(s) for the special SEMC is to be undertaken by the SEMC sub-committee on TSO certification.

#### **6. Gas Transportation Capacity (BCoP) Consultation**

CBr and KD presented the information received from market participants in relation to the nature of the secondary gas transportation market, and a revised draft consultation paper. Also presented was a draft response to a letter received from a Generator on the Treatment of Gas Transportation Capacity Costs in the SEM.

The SEM Committee discussed the matter and approved the consultation paper to be published, subject to a number of amendments. The SEM Committee also approved the draft response to the Generator.

#### **7. Hybrid: Request for Confirmation of Interpretation of Section 4.5 of SEM-11-062**

DC provided an overview of the work carried out to address the request for confirmation of interpretation of Section 4.5 of SEM-11-062. The SEM committee agreed to issue the circulated letter subject to some editorial changes.

#### **8. SEM Contracting Report Summer 2012**

FOT provided a SEM Contracting Report to the SEM committee with information on volume and price trends in relation to publically traded CfDs since the beginning of the SEM.

#### **9. Market Integration Project Update**

SR provided an update on the current status of Market Integration Project and noted that this will be discussed at the SEM Strategy day, the SEM Committee requested that all papers relating to this be sent to members in good time to allow time to read and prepare.

#### **10. Draft Agenda for SEM Strategy Day**

SR presented the SEM committee with a draft agenda for the strategy day being held on the 26<sup>th</sup> September for approval. The SEM committee agreed that the first phase of the strategy day will focus on the Market Integration Next Steps paper followed by a discussion on various aspects of the future market design. A Vision Statement for the SEM Committee will also be added to phase 2 of the agenda.

#### **11. Trading and Settlement Code Update**

The SEM committee noted the update.

#### **12. NI Distribution Connected Generators (Verbal Update)**

CBr provided a verbal update on NI Distribution Connected Generators. It was agreed a fuller discussion would take place at the September SEM Committee meeting.

**Action:** Project team to prepare a discussion paper for submission to the September SEM Committee meeting.

#### **13. Market Monitoring – July 2012 Update**

CBr provided a summary of the Market Monitoring update report for August 2012. The SEM Committee noted the update.

#### **14. North South Interconnector Report from NIE and Eirgrid (Q2 2012)**

The SEM Committee reviewed the North South Interconnector report. The report was noted.

#### **15. SEM Annual Report 2011**

CBr provided an overview of the SEM Annual Report 2011 and agreed publication subject to the incorporation of suggested amendments.

Action: Project Team to amend and publish.

#### **16. DBC and Wind Forecasting Report Templates**

CBr provided background information on DBC and Wind Forecasting reports.

The SEM Committee discussed the contents of the proposed report template and a wind forecasting accuracy report and approved the report format subject to minor amendments by project team.

#### **17. Reporting of Decisions made by Oversight Committee to SEM Committee**

The Update was noted.

**18. Updates CER/UR/Independent Members**

- It was noted that Paul McGowan will be a new commissioner in the CER
- SL provided an update on PowerNI's announced reduction of regulated electricity tariffs from the 1<sup>st</sup> October.

**19. SEM Correspondence**

**a) Letter from Huntstown Power re Gas Transportation Costs**

Noted.

**20. AOB**

There were no items discussed under AOB.

**Date of Next Meeting:**

**Extra Ordinary SEM Committee 59, Monday 10<sup>th</sup> September, Conference Call**

**SEM Strategy Day Wednesday 26<sup>th</sup> September, Location TBC**

**SEM Committee 60 Thursday 27<sup>th</sup> September, CER Offices, Dublin**