

Meeting Minutes

Gate 3 Liaison Group Meeting #13

CER Office, 23rd March, 2010

Attendance by Liaison Group Members or Approved Substitute

Name	Present	Company / Organisation	Member (M) or Substitute (S)
Cathy Mannion	Y	CER	M
Paul Brandon	Y	CER	M
John Lynch	Y	CER	M
Derek Lawler	Y	EirGrid	M
Shane Maher	Y	EirGrid	M
Tony Hearne	Y	ESB Networks	M
Paul Hickey	Y	ESB Networks	M
Caitriona Diviney	Y	IWEA	M
Pat Blount	Y	Meitheal na Gaoithe	M
Garrett Connell	Y	NOW Ireland	S
Erik O'Donovan	N	IBEC	M
Peter Coyle	Y	Marine Renewables Industry Assoc.	M
Grainne O'Shea	Y	ESB Power Generation	M
Brian Linton	Y	Viridian Power and Energy	M
Peter Hynes	N	Local Authority Representative	M
Deirdre Powers	Y	Endesa Ireland	M
Fergal McParland	Y	EirGrid	M
Fiona O'Donnell	Y	ESB Networks	M

Additional Attendees

Name	Company / Organisation
Philip O'Donnell*	EirGrid
Eoin Kennedy*	EirGrid
Denis Cagney*	CER
Aoife Crowe*	CER
Paul Hogan	CER

**Note: attendance for discussion on Constraints issues only*

Introduction and Approval of Minutes

The chairperson Cathy Mannion opened the meeting and welcomed the attendees. The minutes for Gate 3 Liaison Group meeting #12, 22 February 2010, were approved, subject to minor clarifications.

The progress on open action items from the previous Group meeting (#12) was reviewed. Action items from meeting #12 which are completed / closed are listed in Appendix 1.

These minutes, for meeting #13, now record new action items raised during meeting #13 and any decisions made, as well as ongoing action items from previous meetings.

A. Standing Action Items

The following are standing action items which apply to each meeting:

No.	Actions:	Owner
1.	Agenda: CER to circulate the agenda, together with the SOs' Monthly Project Status Report prior to each meeting.	CER
2.	Final Meeting Minutes: Distribute the final approved minutes of the previous month's meeting within 5 business days of the current meeting	CER
3.	Draft Meeting Minutes (for meeting on 23rd March 2010): Distribute the draft unapproved minutes of the meeting within 5 business days of the meeting.	CER
4.	Action Items: Review the action items as detailed in the draft minutes of the previous meeting.	All
5.	Gate 3 Project Status: Monthly project status report to be provided by the SOs to CER in advance of the distribution of the agenda.	SOs
6.	CER Workstreams: CER will arrange for regular information updates to be provided at the Group meetings on CER workstreams which inter-relate to the Gate 3 offer programme.	CER

B. Update on Gate 3 Offer Project

An update on the project status and progress, up to 23rd March 2010, was outlined by the System Operators (SOs) and the Commission. The details of this update are recorded in the Monthly Gate 3 Project Status Update. Further details on the progress of specific tasks relating to the project are published in the updated plan for the Gate 3 offer project. Both of these are published on the Commission's website and are also distributed to the Gate 3 Liaison Group members with these draft minutes.

Some of the key project updates are:

- Overall the Gate 3 offer programme is on schedule
- On target to issue offers to Area D which are due by 2nd April
- 41 customer meetings held thus far and approx 9 remaining
- Issuance of offers for H1 and H2 will commence from early summer followed by offers for area B

- Work on constraint reports for area K was completed by the TSO and is now under review by the Commission. Refer to section on Constraints Update below
- The Commission plan to publish for consultation, before the end of March, the details of the “fixed date with payments” approach to charging for connection to the network. This consultation is entitled “Charter for the connection of Renewable Generators to the Electricity Network”.

The project status of CER’s Gate 3 workstreams has been revised to “Amber” status (as indicated on the traffic light status indication in the monthly status report, as distributed/published with these minutes) reflecting the fact that the issuance of constraint reports is dependent on the finalisation of the all-island Scheduling & Dispatch workstream (also refer to section D “Constraints Reporting Update” below). This workstream will determine the levels of constraint and curtailment experienced by generators and impacts on the certainty and level of the revenue stream accruing to generation projects.

No.	Actions:	Owner
7.	Amend the monthly status report to reflect the overall Amber status of CER projects.	CER

C. Terms of Reference

IWEA proposed that the Terms of Reference for the Gate 3 Liaison Group should be reviewed. Refer to the *Terms of Reference* presentation¹ as distributed and published with these minutes. The proposals were endorsed by many of the industry representatives at the meeting. The System Operators were generally open to the concept of review and a number of items proposed are currently being addressed anyway but did express some concerns regarding the possibility of scope-creep and the possible risk to the completion of the issuance of the remaining Gate 3 offers which should be borne in mind for any potential changes to the Terms of Reference.

No.	Actions:	Owner
8.	Terms of Reference Liaison Group members to consider the current Terms of Reference and IWEA’s proposal and to send comments to the Commission.	All

D. Constraints Reporting Update

Denis Cagney, Director of Gas, Renewables and Legal, recently assumed responsibility for renewables in the Commission which includes responsibility for the Scheduling and Dispatch workstream. Denis outlined the background to and key issues raised in the July 2009 Consultation Paper on Scheduling and Dispatch, the responses received from stakeholders and the next steps in the workstream. These included:

- Substantive consideration of the issues by the SEM Committee in April and subject to the outcome of this:
 - Proposed decision for consultation in July/August

¹ Filename: IWEA_Gate_3_ToR_Proposal - 230310

- Proposed SEM Committee decision early November

This could result in the recalculation of constraint estimates and possible publication in Q1 2011, subject to the final outcome of the workstream. The Commission discussed possible issues and options with the Liaison Group and requested views from industry/stakeholders prior to making any further decision on the communication of interim constraint estimates as follows:

- short-term to those projects (Area/Region K) which were scheduled to receive estimates on 19th March
- medium-term to those projects (Area/Region D) which are scheduled to receive estimates by end of April

No.	Actions:	Owner	Status
9.	Publication of Interim Constraint Estimates Industry/stakeholders to send views to Commission by mid-April	All	new
10.	Next Steps: Publication of Interim Constraint Estimates Commission to consider views and options, including the possibility of splitting the workstream and to provide further clarity regarding the next steps in advance of the next Gate 3 Liaison Group meeting on 27 April.	CER	new
11.	Template Constraints Report: A template constraint report was distributed to Liaison Group by EirGrid before the meeting. Liaison group members to respond with any comments on the template report by 6 th April (2 weeks from meeting).	All	new

E. Temporary Connections

A rule-set is needed for temporary connections for Gate 3 generators. Issues relating to this topic were presented² and initial discussions were held at the 19th January meeting. For background refer to the minutes (meeting #11).

² Refer to the presentation slide "[Temporary Connections- Gate 3](#)" as distributed and published in association with the minutes of meeting # 11 on 19th January 2010. Also refer to the minutes of the same meeting.

No.	Actions:	Owner	Status
12.	<p>Temporary Connections Develop rules/principles to cater for Gate 3 temporary connections. Refer to minutes of meeting #11 and to slides from meeting #11. Further discussion and progress is contingent on the outcome of the Scheduling & Dispatch workstream.</p> <p>Note that this applies to Gate 3 only.</p>	CER	open
13.	<p>Temporary Connections Industry representatives were invited again on 22 February to provide comment or suggestions on the way forward. Note: No comments received by 23 March.</p>	Industry Reps	open

F. Contestability

No.	Actions:	Owner	Status
14.	SOs to examine the possible impact of the Distribution Contestability paper on the offer schedule as this may have an impact on transmission contestability. The (revised) due date for the decision paper from the Commission is late-March or early-April.	SOs	Open

G. Transmission Works and Connection Offers

EirGrid made a presentation³ on the roadmap for the arrangements which will apply in relation to the communication of the confidential details of the inter-dependence of reinforcements with Gate 1,2&3 projects and how to tie them in with offers.

The plan is to align the pre-Gate 3 communications relating to transmission deep reinforcements with Gate 3. The SOs tentatively intend to communicate in writing the deep reinforcements to individual pre-Gate 3 projects by June 2010 (date to be confirmed) and annually thereafter. Following this, EirGrid will investigate the possibility of an IT solution (e.g. online individual access to the specific reinforcements relevant to the particular project) which may be applied in the longer term.

No.	Actions:	Owner	Status
15.	Gate 1,2 & 3 Reinforcements IWEA suggested that SOs should review the list of reinforcements to ensure that Gate 2 reinforcements in a particular Area are no more onerous than those for Gate 3 in that same Area.	SOs	Open

H. Offer Validity Period

Brian Linton requested that general extensions of the offer validity period be considered in light of CER/NIAUR workstreams such as the medium term review of the Capacity Payment Mechanism.

No.	Actions:	Owner	Status
16.	Offer Validity Period: At the February meeting CER requested that a formal proposal for the extension of the offer validity period be submitted to CER for consideration.	Industry Reps	Open

I. Application Fees and Staged Payments

Reminder: Projects whose application fees, as invoiced, are not received by the due date will be excluded from Gate 3. For further details please refer to CER's October 2009 direction to the System Operators at the following link:

<http://www.cer.ie/GetAttachment.aspx?id=664ab56f-8665-4ebd-82bc-d6b45c5944a0>.

³ Refer to EirGrid presentation "Presentation on pre-Gate 3 Deep Reinforcements" as distributed and published with the minutes of this 23 March meeting.

The System Operators and CER were previously requested to consider a reduction in application fees in light of the economic downturn. Invoices (for 2010) were issued by SOs in January 2010 based on 2009 fees.

In their response the System Operators proposed a 5% reduction. The Commission distributed this proposal, dated 2 March 2010 from the SOs, to the Gate 3 Liaison Group members for comment. The Commission has reviewed comments received from members of the Liaison Group on the proposal. The comments suggested that reductions should be significantly greater than 5%. The SOs clarified that there while there has been some efficiencies gained through the processing of Gate 3 that significant extra work is being undertaken above that in previous Gates. This relates particularly to constraints analysis, stakeholder engagement and customer engagement.

The Commission has decided to approve the 5% reduction in the application fees. The Commission has also requested (subsequent to the meeting) that the System Operators carry out a high level review of the costs and revenues of processing applications to see if there is scope for further reduction. The SOs maintained that the high level review could show costs in excess of revenue.

Any reduction in application fees resulting from the 5% decrease and/or the aforementioned review will be rebated to applicants already invoiced in 2010⁴ after the review and once the final level of application fees has been agreed.

No.	Actions:	Owner	Status
17.	Application Fees – next steps The Commission will clarify and communicate the next steps to the Liaison Group members by end March.	CER	Open
18.	Review of Application Fees System Operators to carry out a high level review of the costs involved in processing Gate 3 applications and the expected revenues from this activity.	SOs	New

J. Capacity Relocation

The issue of the relocation of capacity was discussed at the February 2010 meeting. This occurs when a developer seeks to change the location of a project and/or sell the project to another developer in a different location. IWEA confirmed that this can often be as a result of difficulties with planning.

This has been dealt with on a case-by-case basis to-date. The Commission is discussing the possibility, the options, and the potential impacts of the relocation of Gate 3 capacity with the System Operators in the first instance. Existing principles for modifications include:

⁴ Invoices (for offers issuing in 2010) and as issued by SOs in January 2010 were based on 2009 fees as decided previously.

The requested modification should not:

- change the connection to the assigned node on the grid (meshed node)
- interfere with future network development
- materially disadvantage other parties connected, contracted or being processed as part of the current Gate

A short paper on issues relating to the relocation of capacity has been provided by the SOs to the CER for consideration. The CER has requested some clarification which the SOs undertook to respond to the CER by the end of the week. The CER undertook to provide clarity on this matter in the coming weeks.

No.	Actions:	Owner	Status
19.	Capacity Relocation Consultation CER, in consultation with the SOs, to consider possible principles and arrangements for consultation and whether capacity relocation should be allowed.	CER / SOs	open
20.	Capacity Relocation Issue – Interim Measures CER to consider possibility of interim measures for projects in the short term in advance of a possible consultation (refer to previous action) being undertaken.	CER	open

K. DSO Quotation Letter and DSO Undertaking

DSO advised that in order to facilitate the timely issuance of offers to Area D, these offers will be issued based on the Quotation Letter template including an Interface Undertaking⁵ for TSO previously circulated to the Liaison Group on 16 March. DSO agreed to consider further input from IWEA or others on the template, and to re-issue the Area D offers should this lead to any modification of the aforementioned Interface Undertaking.

No.	Actions:	Owner
21.	Quotation Letter Any further comments on the DSO's Quotation Letter template (including the Interface Undertaking) to be sent to SOs by mid-April so that these can be considered prior to the next Liaison Group meeting on 27 April.	All

⁵ Refer to the briefing note "*Briefing Note - TSO undertaking in DSO Connection Offer*" as distributed and published in association with the minutes of meeting # 13 (23 March 2010).

L. Other

No.	Actions:	Owner	Status
22.	Ongoing Quarterly Offer Modification Metrics Modification processing (timeline) statistics to be provided by System Operators every quarter. The next update is due at end April 2010.	SOs	open
23.	Grid25 Update EirGrid to propose the appropriate forum and period for continued periodic updates on Grid25 – this will be considered in the context of action 8 above	EirGrid	open

M. Documents Distributed with these Minutes

The following documents are distributed with these draft minutes of meeting number 13:

- Approved minutes of Meeting #12;
- Agenda Gate 3 Liaison Group No 13 on 23-03-2010
- Monthly Gate 3 Offer Project Status Report including Gate 3 inter-related CER workstreams;
- Project Plan showing project status on 18th March 2010;
- IWEA Gate3 Terms of Reference - Proposal 230310
- Presentation on pre-Gate 3 Deep Reinforcements
- Briefing Note - TSO undertaking in DSO Connection Offer
- Draft Gate 3 Constraint Report Template
- G3 Constraints Update & Sample Report-23_03_2010
- Gate3 LG meeting # 12 on 22-02-2010 - final minutes

All of the aforementioned documents will also be published on the Commission's [Gate 3 Liaison Group webpages](#).

N. Next Meeting

The next meeting is scheduled to take place on Tuesday 27th April 2010 at 14:15 at the CER office. The following is an initial proposal for the agenda:

- Review of open action items;
- Gate 3 monthly project status update to be provided by the SOs;
- CER to provide updates on CER workstreams which relate to the Gate 3 offer programme;
- Application Fees;
- Terms of Reference of the Gate 3 Liaison Group.

The CER will send the formal proposed meeting agenda to the Group members at least ten days before the next meeting (as per the Liaison Group Terms of Reference) at which time additional agenda items can be considered.

Appendix 1: Closed Action Items

The following is the list of action items which have been resolved (**closed**) since they were actioned in the previous Group meeting (number 11), held on 22nd February 2010.

No.	Actions:	Owner	Status
a.	<p>Project Status: CER to consider the designation of the overall (traffic light) status of the “CER” activities relating to the Gate 3 offer project.</p> <p>Outcome: Updated to AMBER. Refer to minutes of meeting #13.</p>	CER	complete
b.	<p>Capacity Relocation Issue – Interim Measures</p> <p>SOs have provided an update to CER on the number and nature of capacity relocation requests and related issues.</p> <p>Outcome: Update provided to CER</p>	SOs	closed
c.	<p>Constraint Report Template: EirGrid to consider if it is possible to provide a sample template of a typical constraint report to illustrate possible future content to the Liaison Group before the issuance of the first constraint report.</p> <p>Outcome: Sample constraint report distributed and published with these minutes.</p>	EirGrid	complete
d.	<p>Terms of Reference</p> <p>IWEA to make proposal on Terms of Reference at the 23rd March meeting.</p> <p>Outcome: IWEA made a presentation on their proposal: refer to the <i>Terms of Reference</i> presentation as distributed and published with these minutes (meeting #13)</p>	IWEA	complete
e.	<p>Gate 1,2&3 Reinforcements</p> <p>System Operators to look into what arrangements will apply in relation to the communication of the confidential details of the inter-dependence of reinforcements with Gate 1,2&3 projects and how to tie them in with offers. SOs to engage with Industry and to present an outline roadmap at the next meeting.</p> <p>Outcome: Refer to EirGrid presentation “<i>Presentation on pre-Gate 3 Deep Reinforcements</i>” as distributed and published with the minutes of this 23 March meeting.</p>	SOs	complete