

Meeting Minutes

Gate 3 Liaison Group Meeting #15

CER Office, 1st June, 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
Ciaran McNamara	Y	EirGrid	S
Tony Hearne	N	ESB Networks	M
Paul Hickey	Y	ESB Networks	M
Caitriona Diviney	Y	IWEA	M
Pat Blount	N	Meitheal na Gaoithe	M
Seamus McCabe	Y	NOW Ireland	M
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
Paul Hogan	CER
Gearoid Quinn	ESB Networks

Introduction and Approval of Minutes

The chairperson Cathy Mannion opened the meeting and welcomed the attendees. The progress on open action items from the previous Group meeting (#14) was reviewed. Action items from meeting #14 which are completed / closed are listed in Appendix 1.

These minutes, for meeting #15, now record new action items raised during meeting #15 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.	Draft Meeting Minutes (for meeting on 1st June 2010): Distribute, within 5 business days of the meeting, the draft unapproved minutes of the meeting to the Liaison Group members for comment.	CER
3.	Final Meeting Minutes: Distribute, within 12 business days of the meeting, the final approved minutes of the previous meeting.	CER
4.	Action Items: Review the action items as detailed in the 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 1st June 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 minutes.

Key project updates are:

- The issuance of Gate 3 offers is on schedule;
- The arrangements for the provision of indicative Gate 3 constraint estimates/reports is being finalised with EirGrid by the Commission;
- Work in preparation for the next set of offers for H1 (Lower Midlands), H2 (South East) and B (West) is progressing according to the schedule;

- Offers to generators in Area D were issued on target by 1 April 2010. All customer meetings are now complete;
- The Commission published the decision on contestability ([CER-10-056](#)) *Contestability for Distribution & Transmission Level Connections to the Electricity System* in April. An assessment of the impact on the Gate 3 Offer Programme is underway. This may impact on the issuance of offers (refer to Section E of these minutes); and,
- The Commission has decided that a reduction of 8% in application fees will apply (refer to Section G of these minutes);
- The Commission plans to publish in June:
 - a consultation paper on capacity relocation;
 - a proposed decision on locational signals; and,
 - a decision paper on pricing principles.

C. Constraints Reporting Update

The Commission outlined a process for the issuance by EirGrid of indicative interim constraint estimates to developers who wish to receive them. These preliminary indicative constraint estimates are being issued in advance of possibly more appropriate estimates following from policy decisions by the SEM Committee on SEM Scheduling & Dispatch. This may require the recalculation of constraint estimates based on different dispatch criteria and the possibility of (re)issue in 2011, subject to the final outcome of the workstream.

No.	Actions:	Owner	Status
7.	Next Steps: Publication of Interim Constraint Estimates EirGrid to consider the process for issuing the estimates and to propose to CER the details of the arrangements.	EirGrid	new
8.	Additional Scenarios In addition and following completion of the generation of “regular” constraint estimates EirGrid to consider the possibility of producing additional constraint estimates which may be relevant to particular groups		
9.	Next Update on Constraints CER and EirGrid to consider the possibility of an update on constraints at the next meeting in July if the initial impact of the proposed direction on Scheduling & Dispatch can be assessed at that time	CER & EirGrid	New
10.	Issues Members to consider and communicate to CER & EirGrid headline issues for the aforementioned update.	All	new

D. Temporary Connections

A rule-set is needed for temporary connections for Gate 3 generators. Issues relating to this topic were presented¹ and initial discussions were held at the 19th January 2010 meeting.

¹ 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
11.	<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 and temporary connections for existing offers will be considered as per existing practices.</p>	CER	open

E. Contestability

No.	Actions:	Owner	Status
12.	<p>Contestability – Lead Developer: Gearoid Quinn (ESB Networks) presented on the role of the Lead Developer in the context of contestability and shared assets (refer to presentation slides published with these minutes). ESB Networks to develop² the detail of the rules and principles.</p>	ESB Networks	new
13.	<p>Contestability: The decision paper³ on Transmission and Distribution contestability was published on 15th April. ESB Networks presented options and an initial draft impact assessment to the Liaison Group (refer to the material published with these minutes). The System Operators will finalise the impact assessment and submit to CER for approval as per the approved change control process.</p> <p>ESB Networks invited comments from members.</p>	SOs	Open
14.	<p>Contestability: IWEA grid committee to discuss and revert with comments.</p>	IWEA	new

F. Offer Validity Period

No.	Actions:	Owner	Status
15.	<p>Impact of deferred offer acceptance: The SOs will advise on whether deferred offer acceptance in Gate 3 is likely to have a significant impact on connection delivery.</p>	SOs	open

² Please note that since the meeting on 1st June and the publication of these final minutes in mid-June, ESB networks has developed a proposal entitled “*Role of the Lead Developer and the decision making process to facilitate distribution contestability*”. This proposal is published on the CER’s website along with the material from meeting #15.

³ “*Contestability for Distribution & Transmission Level Connections to the Electricity System*”; Decision ([CER-10-056](#)) published on 15th April 2010.

G. 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>.

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.

No.	Actions:	Owner	Status
16.	<p>Application Fees – decision and next steps</p> <p>The Commission has reviewed the submissions to CER from the SOs and the comments received from industry. CER has decided that a reduction of 8% in application fees will apply and will write to the SO's to formally communicate the details of its decision.</p> <p>SOs to provide details of the arrangements for rebating of application fee income in excess of this approved level which has already been received .</p>	SOs/ CER	Open

H. 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 integrate the project into another project in a different location.

No.	Actions:	Owner	Status
17.	<p>Capacity Relocation Consultation & Enduring Solution CER, in consultation with the SOs and the Liaison Group and as discussed at meeting #14, have decided to consult on the issue of capacity relocation so as to inform the CER in deciding an enduring solution for capacity relocation. This will include:</p> <ul style="list-style-type: none"> • The limited circumstances under which capacity relocation may be eligible (i.e. the rules) • The conditions to be applied <p>The SOs have submitted proposed rules to CER taking account of comments from members.</p> <p>The CER plans to publish a consultation paper before the end of June.</p>	CER	new
18.	SOs to assess current list of application requests and consider, by end July 2010, whether – assuming these qualify ⁴ for relocation - there are likely to be any cases where any of these requests could be processed within Gate 3 without affecting offer timelines.	SOs	new
19.	CER to send comments/queries on SOs' draft rules to SOs.	CER	new

I. DSO Quotation Letter and TSO Interface Undertaking

ESB Networks 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. ESB Networks agreed in March 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. ESB Networks and IWEA are continuing to engage on this issue. However a joint approach to CER may be required to resolve this issue.

No.	Actions:	Owner
20.	<p>Quotation Letter ESB Networks to continue to engage further with IWEA on this issue</p>	ESB Networks

⁴ Qualification to be determined in accordance with the Commission's decision on relocation of capacity

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).

J. Gate 1, 2 & 3 Reinforcements

EirGrid are scheduled to issue an update to Gate 1 and Gate 2 projects, on deep reinforcements associated with each project before the end of June. ESB Networks are awaiting information from EirGrid on DSO Gate 2 Projects. The updates will include associated deeps that have already been optimised. Further studies have commenced on a comprehensive review of the deep reinforcements associated with Gate 1 and Gate 2 projects over the next 3 months. Details on the arrangements for communication of these studies have yet to be finalised pending their completion.

K. Connection Offer Policy Paper (COPP)

Fiona O'Donnell presented (on behalf of the SOs) an overview of headline items which are to be addressed in the Connection Offer Policy Paper (COPP) being developed by the System Operators (refer to the material published with these minutes).

No.	Actions:	Owner	Status
21.	COPP IWEA to send comments to SOs on COPP. ESB Networks invited comments from all members.	IWEA	new

L. First Stage Payments - Offshore

Seamus McCabe made a presentation on the First Stage Payments (deposits) which will be due for payment by offshore developers. (refer to the material published with these minutes).

IWEA asked that an alternative proposal be considered to change the first stage payment terms to a flat €10K/MW for all projects

No.	Actions:	Owner	Status
22.	Offshore First Stage Payments IWEA to send comments to CER.	IWEA	new
23.	CER invited workable suggestions from industry	All	new

M. Feedback on Gate 3 Offers

IWEA provided a verbal update on difficulties and lessons learned to-date from the Gate 3 offers issued to date, as follows:

- i. Instances may arise where a major change of connection method from that which was understood by the project developers at the connection method meeting occurs. If such cases arise it would be good practice for the SOs to organise a follow-up meeting prior to the connection offer being issued so as to update subgroups of significant changes;

Outcome: SOs agree.

- ii. There are new clauses in the distribution connection offer, section 16.4, on a TSO power output control mechanism for generators <5MW. IWEA suggested that these need to be consulted-on with industry;

Outcome/Action: EirGrid to write to the CER outlining the issues involved.

- iii. The TSO RTU has increased in cost from €91,000 to €110,000. The 91,000 was included in connection offers as recent as Nov 2009. The list of equipment in the CER approved schedule⁶ of transmission costs and timelines could be expanded to include items such as this; and,

Outcome/Action: EirGrid to provide cost details for next meeting.

- iv. IWEA requested that Gate 3 connection queries be dealt with in a timely manner and agreed to engage with the System Operators to discuss this further.

Outcome: EirGrid are developing processes and putting controls in place to deal with the increasing volume of queries. Industry acknowledged an improvement in the way queries are been managed.

N. Other Topics

No.	Actions:	Owner	Status
24.	Ongoing Quarterly Offer Modification Metrics Modification processing (timeline) statistics to be published by System Operators every quarter. The next update is due at end July 2010.	SOs	open
25.	Grid25 Update EirGrid to propose the appropriate forum and period for continued periodic updates on Grid25 – this will be considered in the context of the updated Terms of Reference. EirGrid to confirm when the next update will be given.	EirGrid	open
26.	Rory Mullan (RM) to communicate issues relating to the SOs' standard for wires.	RM	new

⁶ [Transmission Costs and Timelines \(CER/09/077\)](#)

O. Documents Distributed with these Minutes

The following documents are distributed with the minutes of meeting number 15:

- Agenda for Gate 3 Liaison Group No. 15 on 01-06-2010
- Monthly Gate 3 Offer Project Status Report including Gate 3 inter-related CER workstreams;
- Project Plan showing project status on 28th May 2010;
- Presentation from NOW Ireland on First Stage Payments (Deposits) for Offshore Wind Projects
- Presentation on role of Lead Developer in relation to contestability;
- Presentation on initial impact assessment of distribution contestability;
- ESB network's proposal entitled "*Role of the Lead Developer and the decision making process to facilitate distribution contestability*"; and,
- Connection Offer Policy Paper (COPP) – overview of headline items from SOs.

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

P. Next Meeting

The next meeting (#16) is scheduled to take place in **July** at the CER office (date to be confirmed). 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;

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 proposed for consideration.

Appendix 1: Closed Action Items

The following is the list of action items which have been resolved (**closed**) since they were identified and actioned in the previous Group meeting (number 14), held on 27th April 2010.

No.	Actions:	Owner	Status
a.	<p>Terms of Reference The IWEA proposed⁷ at meeting #13 that the Terms of Reference for the Gate 3 Liaison Group should be reviewed. This was discussed at meeting #14 along with proposed changes from the SOs.</p> <p>Outcome: CER has considered the proposed changes and has revised the Terms of Reference primarily to reflect the inclusion of certain topics relating to the progression of the Gate 3 project from offer issuance to offer execution. Refer to the updated Terms of Reference on the CER's Gate 3 webpages for specific details.</p>	CER	Complete
b.	<p>CER Workstreams CPM workstream and Capacity Relocation to be included in CER's monthly Gate 3 inter-related workstreams update. Outcome: completed</p>	CER	Complete
c.	<p>Final Comments CER to consider final comments from industry in relation to the publication of preliminary constraint estimates. Outcome: closed</p>	CER	complete
d.	<p>Constraints Template: EirGrid will consider and respond separately to the comments received in relation to the format of the template constraints report. Outcome: EirGrid have engaged with IWEA</p>	EirGrid	complete
e.	<p>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. Outcome: No formal proposal received.</p>	Industry Reps	closed
f.	<p>Timeline for Capacity Relocation CER to consider the timeline for capacity relocation and to confirm the timeline at the next meeting. Outcome: refer to the monthly status report</p>	CER	complete

⁷ (CER/10/055(f)) : [IWEA Gate 3 ToR Proposal - 230310](#)

No.	Actions:	Owner	Status
g.	<p>Ongoing Quarterly Offer Modification Metrics Modification processing (timeline) statistics to be published by System Operators every quarter. The next update is due at end April 2010. SOs to report on the metrics at the May/June meeting. ESB Networks to provide update by email to Liaison group members, as ESB website is currently locked down.</p> <p>Outcome: ESB Networks reported that e-mail with metrics was distributed mid-May.</p>	SOs	complete