

Meeting Minutes

Gate 3 Liaison Group Meeting #22

CER Office, 1st March, 2011

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
Marina Petcova	Y	CER	M
Shane Maher	Y	EirGrid	M
Derek Lawler	Y	EirGrid	M
Enda Feeley	Y	EirGrid	S
Fergal McParland	N	EirGrid	M
Tony Hearne	Y	ESB Networks	M
Fiona O'Donnell	Y	ESB Networks	M
John O'Sullivan	Y	ESB Networks	M
Aine Dorrán	Y	ESB Power Generation	S
Caitriona Diviney	Y	IWEA	M
Pat Blount	Y	Meitheal na Gaoithe	M
Garrett Connell	N	NOW Ireland	M
Erik O'Donovan	N	IBEC	M
Peter Coyle	Y	Marine Renewables Industry Assoc.	M
Brian Linton	Y	Viridian Power and Energy	M
Seamus Granahan	Y	Local Authority Representative	S
Marian Troy	Y	Endesa Ireland	S
Donal Smith	Y	Bord Gáis Eireann	M

Additional Attendees

Name	Company / Organisation
Denis Cagney	CER
Mark Needham	EirGrid
John Orme	CER
Brid O'Donovan	CER
Clive Bowers	CER
Keith Moore	ESB Networks
Brian Nunan	ESB Networks
Rory Mullan	Consultant to IWEA

Introduction and Approval of Minutes

Cathy Mannion opened the meeting and welcomed the attendees. The progress on open action items from the previous Group meeting (#21) was reviewed. Action items from meeting #21 which are completed / closed are listed in Appendix 2.

These minutes, for meeting #22, now record new action items raised during meeting #22 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 the meeting on 18th January 2011): 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: Periodic project status report to be provided by the SOs to CER in advance of the distribution of the final 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

MEETING PHASE 1 – OFFER ISSUANCE

B. Update on Gate 3 Offer Project

An update on the project status and progress, up to 1st March 2011, was outlined by the System Operators (SOs) and the CER. The details of this update are recorded in the Periodic Gate 3 Project Status Update, which is distributed to the Gate 3 Liaison Group members a few days after the meeting and subsequently published on the [CER's website](#).

No.	Actions:	Owner	Status
7.	<p>Gate 3 Implementation Report</p> <p>In advance of the meeting CER distributed a proposed format and example of the Gate 3 Implementation Report to provide metrics regarding the issuance and acceptance status of offers. This will be published on CER's website alongside these minutes.</p> <p>Industry was invited to send feedback regarding the information in and the format of the report. The initial feedback of the group at the meeting was positive.</p>	Industry	New

MEETING PHASE 2a: OFFER EXECUTION AND CONNECTION STATUS

No.	Actions:	Owner	Status
8.	<p>RTU Cost</p> <p>Revised charges for RTUs – as submitted to CER by EirGrid in January - were distributed to the members of the Liaison Group on 14 January for comment. No comments were received.</p> <p>CER plan to approve the charges. The revised charges will be issued in mid-March.</p>	CER	Open
9.	<p>Ongoing Quarterly Offer Modification Metrics</p> <p>Modification processing (timeline) statistics to be published by System Operators every quarter.</p> <p>The SOs separately presented an update on the Quarterly Modification Metrics. The next update is due to be published end April.</p>	SOs	Open

10.	<p>Grid25 Update</p> <p>At the January meeting EirGrid provided an update on the Grid25 programme. The presentation was published alongside Gate 3 Liaison Group Meeting #21 Minutes on the CER's webpage.</p> <p>Three respondents provided feedback on the information provided at the presentation. EirGrid is to consider these comments.</p> <p>A further update is planned at the April meeting following agreement on Grid25 baselines and PR3 Capex Monitoring Process between the CER and EirGrid.</p> <p>The current classification of the connection, via 400kV line, of windfarms in Mayo as shallow rather than deep was discussed. CER indicated that they were aware that developers in this region had queried whether connection infrastructure such as this should be re-designated as deep and CER was considering the views put forward. It was noted that under current policy applied correctly resulted in a shallow classification. Therefore any change to this connection would require a change in policy surrounding the boundary between deep and shallow network. The CER is deciding whether it is appropriate to review this policy at this time.</p>	EirGrid EirGrid & CER	Open
11.	<p>Standard Charges for Transmission</p> <p>IWEA previously requested that additional assets be included in the published transmission standard charges.</p> <p>One outstanding proposed charge (High Tension Low Sag – HTLS) was discussed. TSO confirmed, following discussions with TAO, that most of the additional charges requested by IWEA could be made available. The only exception relates to the HTLS standard charge. TSO stated that it was not possible to provide a standard charge given its limited use to date.</p> <p>TSO to advise when proposed standard charges for these additional assets will be submitted to CER for approval.</p> <p>CER may then seek independent technical advice on the proposed charges before considering approval.</p>	EirGrid	Open

12.	<p>Communication on Deep Reinforcements for Gates 1&2&3</p> <p>Following consultations with industry, EirGrid has decided to defer issuing the updates for Gate 2 pending the forthcoming CER decision on the consultation on Interim FAQ's for Gates 1 & 2 and subsequent studies to be carried out.</p> <p>For the studies, EirGrid envisage a timeline of 4-6 weeks from the decision date to complete the Interim FAQ (and associated deeps) studies for Gate 1 generators and 5-6 months from the decision date for the Gate 2 generators' studies. EirGrid intend in the meantime to hold a customer forum on this and will be communicating details when arrangements have been finalised.</p> <p>EirGrid also highlighted that there are a number of short circuit reinforcement associations being made under Gate 3 and that in some instances these may potentially impact on Gate 3 projects.</p> <p>An update on Short Circuit Reinforcement will be presented at the next LG meeting in mid-April.</p> <p>EirGrid also confirmed that there was an error in some connection offers (both TSO and DSO) where the requirement to provide updated dynamic modelling information was mistated as 120 business days prior to energisation. In accordance with the Gate 3 CER Direction this should be 240 business days. This has now been addressed in the offer templates and will be fixed for those offers issued in due course. IWEA suggested that it would be worthwhile to highlight issues such as dynamic requirements to the industry to ensure there is no ambiguity and reduce potential for delayed energisations. EirGrid agreed that this would be useful and agreed to consider further.</p>	EirGrid	Open
13.	<p>Structure of ESB Networks Projects Organisation</p> <p>An update on the new ESB Networks Projects organisation structure in ESB was provided by ESN (Brian Nunan) at the Liaison Group meeting on 1st March 2011.</p> <p>Liaison Group Members invited to provide comment on the structure.</p>	Industry	new
14.	<p>Structure of EirGrid's Projects Organisation</p> <p>EirGrid to clarify their organisation structure to deliver projects.</p>	EirGrid	new

15.	<p>Charge Structure for Offer Modifications</p> <p>Mark Needham (EirGrid) presented on a proposed structure for EirGrid offer modifications. The presentation provided at the Liaison Group Meeting will be published alongside these minutes on CER's Gate 3 Liaison Group webpage.</p> <p>CER requested Liaison Group Members to provide feedback on the requested items outlined in the presentation to consider the scale and frequency of modification requests by 11th March 2011. The SOs will use this feedback to feed into the fee recovery arrangements and the design of the offer modification process.</p> <p>EirGrid and ESB Networks will review the responses received and will propose to CER the next steps in advance of the next Liaison Group meeting on 12th April 2011 provided feedback has been received by the 11th March.</p>	Industry	New
16.	<p>Stage Payments for Transmission Connections</p> <p>An industry representative had highlighted that TSO's stage payment schedule varies somewhat from the DSO's schedule and queried whether this schedule was formally consulted on. The concern was raised due to the risk that this discrepancy may lead to a material issue to the Gate 3 projects.</p> <p>EirGrid was asked to clarify the outlined issue and to provide an update at the next Liaison Group Meeting.</p> <p>ESBN advised that the payment schedule for Transmission connections is being discussed between TSO and TAO and it is hoped that some proposals can be brought to CER in due course.</p> <p><i>Post Meeting Note:</i> EirGrid has advised that the consultation relating to the transmission payment schedule took place as part of Joint TSO/DSO Group Processing Approach Charging and Rebating Principles (CER/10/085) published 17th June 2010)</p> <p>“3.6.2 Schedule of payments – Transmission <i>The payment schedule is offer specific and related to the cash flow associated with providing the shallow connection assets. These payments are payable in advance to ensure the TSO/ TAO remain in a cash positive position thus minimising the risk to the TUoS customer.</i></p>	EirGrid/ ESBN	New

	<i>Where consents are required, the second and subsequent payments are scheduled to ensure alignment with the actual work being performed. In all cases the full connection charge will be payable before the connection works are completed.”</i>		
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C. Gates 1 & 2 Access

At the November meeting CER & SOs discussed the possibility of updating Firm Access Quantities for Gates 1&2 projects on the basis of updated system information.

On 16th December CER published a paper for consultation ([CER/10/231](#)) on EirGrid’s proposed methodology for the calculation of Firm Access Quantities for Gate 1&2 connections. Seven responses were received by the closing date, 21st January 2011.

No.	Actions:	Owner	Status
17.	<p>Gates 1 & 2 Access</p> <p>CER to consider issuing an email update to members of the group on this item after the outcome of a meeting on 9th March between CER and EirGrid on this topic.</p> <p>(Note: also refer to Action Item 12 above)</p>	CER	new

MEETING PHASE 2b: GATE 3 RELATED POLICY ITEMS

No.	Actions:	Owner	Status
18.	<p>Transmission Connection Standards</p> <p>At the November meeting IWEA queried the changing of standards for transmission connection equipment stating that it was not consistent with LCC/LCTA methodology and requested EirGrid to engage with industry.</p> <p>At the December meeting EirGrid made a presentation entitled 'Minimum Transmission Standards'.</p> <p>EirGrid made a submission in February in writing to the CER in relation to the minimum standards for transmission equipment. IWEA responded on 1st March 2011. A meeting between the parties was proposed in advance of the next meeting. Further update will be provided on 12th April 2011.</p>	IWEA, EirGrid & CER	Open

D. Scheduling and Dispatch in the SEM

Denis Cagney, Director of Renewables (CER), provided a further update on the ongoing SEM workstream on Scheduling and Dispatch at the meeting. This work stream is due to be discussed at the SEM Committee meeting on 2nd March where it is hoped that a steer on key issues will be forthcoming from the SEM Committee. CER agreed to provide an email update to group after the SEM committee meeting including a revised target date for completion if appropriate.

E. First Stage Payments

A consultation paper on First Stage Payments was published on the CER [website](#) on 17th December 2010. At the Liaison Group Meeting Meitheal na Gaoithe – supported by IWEA - strongly re-iterated the difficulties expressed by developers in their responses to the consultation in relation to raising finance in the current economic environment and requested CER to give due consideration to the impact of this issue when preparing the CER's decision.

Fifty seven (57) responses were received and reviewed by the CER and it is planned that the decision will be published by end March 2011.

F. Financing of the SO Preferred Method in Contestable Builds

The System Operators have proposed a paper to the CER which looks at the issue of financing the SO preferred option for connection, in excess of the LCC/LCTA, where the connection is being built contestably. The consultation paper on Financing of the SO Preferred Method in Contestable Builds was published on the CER website on 11th February 2011 with responses due by 11th March 2011.

G. Documents Distributed with these Minutes

The following documents were distributed with the minutes of meeting #21:

- Agenda for Gate 3 Liaison Group No. 22 on 01-02-2011;
- Periodic Gate 3 Offer Project Status Report including Gate 3 inter-related CER workstreams;
- Presentation on proposed TSO approach regarding standard charging structure for modifications provided by EirGrid;
- Presentation on IPP Delivery Team and points of contact for Gate 3 projects provided by ESNB;
- Presentation on the Implementation of CER 09/138 policy provided by ESNB;
- Sample Gate 3 Implementation Report provided by EirGrid and ESNB.

All of the aforementioned documents were also published on the CER's Gate 3 Liaison Group [webpage](#).

H. Next Meeting

The next meeting (#23) is scheduled to take place on 12th April 2011 at the CER office. 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 agenda items can be proposed for consideration.

Appendix 1: Remote Action Items

The following action items are open but are not due for consideration for some time. Hence they are recorded here as a placeholder and aide memoire.

No.	Actions:	Owner	Status	Revisit Date
19.	<p>Additional Constraint Reports Scenarios</p> <p>In addition and following completion of the generation of constraint estimates based on “regular” scenarios (i.e. following RAs’ decision on Scheduling & Dispatch) EirGrid to consider the possibility of producing additional constraint estimates which may be relevant to particular groups.</p>	EirGrid	Open	Q2 2011
20.	<p>Gate 1, 2 & 3 Reinforcements</p> <p>A system for central electronic updating of the Gate 1, 2 & 3 reinforcements being considered by EirGrid for post-offer updates.</p> <p>EirGrid stated (meeting #22 in March 2011) that it is likely that it will be 2012 before this will be in place.</p>	SOs	Open	Q2 2011

Appendix 2: 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 Liaison Group meeting (number 20), held on 14th December 2010.

No.	Actions:	Owner	Status
a.	<p>Structure of ESB Networks Projects Organisation</p> <p>Industry representatives previously requested that, when appropriate, the new ESB Networks Projects organisation structure in ESB be provided to the Gate 3 Liaison Group.</p> <p>Outcome: An update from ESN representative was provided during the Liaison Group meeting on 1st March 2011. Presentation slides were distributed among Liaison Group Members and will be published on CER's Website alongside these minutes.</p>	DSO	Closed
b.	<p>Connection Offer Policy Principles</p> <p>CER outlined the project plan for COPP. A consultation paper was published in late December, and a workshop was held on 26th January 2011. Consultation closed on 4th February 2011 with the receipt of 25 responses. The decision document is planned for publication by mid-May 2011.</p> <p>Outcome: Further updates on this workstream will be provided with the periodic update of all Gate 3 inter-related workstreams.</p>	SOs and CER	Closed