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Sarah Friedel
Castlereagh House
12 Manse Road
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Our Ref: MAR-26-1015

Date: 02 April 2026

Dear Sarah,

RE: Day Ahead and Intraday Arrangements concerning more than one Nominated Electricity Market Operator (NEMO) in the SEM Bidding Zone.

I am writing in response to the request from SONI for National Regulatory Authority (NRA) approval for a proposal under Article 9(8) of the Capacity Allocation and Congestion Management Regulation 2015/1222 – hereon CACM Regulation.

This letter sets out the Utility Regulator (UR) decision to approve the revised proposal as amended and outlines the necessary next steps that must be taken.

An equivalent letter requesting the same amendments will be communicated by the Commission for Regulation of Utilities (CRU).

Background

Under Article 9(8) of the CACM Regulation, the UR as National Regulatory Authority received a proposal on 23 June 2025 from the TSOs (SONI and EirGrid) concerning cross-zonal capacity allocation and other necessary arrangements in bidding zones where more than one NEMO is designated and/or offers trading services in lines with Article 45 and 57 of the Regulation.

On 17 December 2025, the UR as National Regulatory Authority requested an amendment to the proposal in relation to signposting, fallback arrangements, timelines for implementation, impact on the CACM objectives and other corrections and clarifications.

A revised proposal was received on 13 February 2026 which included amended wording in relation to the five areas listed above. We are grateful for your work in responding to our requests for amendment.

Proposal

The Regulatory Authorities, the CRU and UR, have jointly assessed the revised proposal and have engaged at working level with SONI and EirGrid with our queries. We have also engaged jointly with SEMOpx and Nord Pool as NEMOs in the SEM, particularly around the procedures included in Article 6 (Decoupling and Fallback Arrangements) and the rationale for the timeframes included in Article 7 (Implementation and Time-scales). The UR and CRU are grateful to all these external stakeholders for their input as we worked through these queries.

Through these engagements, we determined a limited number of areas where amendment is necessary for the proposal to clarify key aspects and fulfil the requirements set out in the CACM Regulation and in Commission Regulation (EU) 2019/943 (the 'Electricity Regulation').

The Team were not satisfied that sufficient improvements had been made in Article 6 (Decoupling and Fallback Arrangements) and engaged with SONI and EirGrid to ensure compliance with recent amendments to the Electricity Regulation, specifically Article 7(2)(ca). Through our engagements, we are assured that all parties have been involved in the development of an amended text for Article 6 which meets the requirements of the Electricity Regulation.

The Regulatory Authorities engaged closely with the TSOs and NEMOs active within the SEM on the proposed timeline for implementation. Following extensive engagement with all parties, we believe that the dates outlined in the methodology to be the earliest feasible go-live for Multi-Nemo Arrangements in the SEM. The Regulatory Authorities have added precise dates for the latest go-live of Multi-NEMO Arrangements, for both Single Day Ahead Coupling and Single Intra-Day Coupling, in the SEM. We are strongly supportive of the implementation of multi-NEMO arrangements in the SEM and we encourage all parties to work towards implementation by these dates at the latest.

In general, the Regulatory Authorities are concerned by the apparent lack of specificity around the scope of the MNA project despite it appearing to have been discussed and included in the scope of the Strategic Markets Programme since its initiation. While we are adopting the timelines for implementation proposed by the TSOs, the RAs are concerned by the level of preparation shown to date and it is clear that the parties will need to engage very closely in order to meet these. The RAs have been invited to take a more active role in progressing these matters, and we will do so. The RAs have made proposals in the Next Steps section below for how we expect to engage further with the project parties and deliver the necessary changes.

We have made changes related to these two items and have attached an amended version of the revised proposal with changes tracked in addition to a clean version of the proposal. We have also added further definitions to Article 2 and made a number of minor editorial changes throughout the document.

Decision

The UR has reviewed the proposal in line with the requirements of the CACM Regulation and its wider statutory duties and obligations and hereby approves the proposal as amended in accordance with Article 45 and 57 of the CACM Regulation.

Next Steps

The RAs request that the TSOs work with both NEMOs to submit a plan to the RAs for the implementation of the solution by 1 May 2026. This plan should include a detailed timeline and all appropriate milestones. The TSOs (or any appointed Programme Management Office) will organise monthly meetings with the relevant project parties and RAs to monitor the implementation of this plan.

We request that all parties to the project work productively to deliver competition in NEMO services in the SEM.

We request that SONI notify the UR when they have fulfilled the requirement under Article 9(14) of the CACM Regulation to publish the approved document.

If you have any queries regarding the information contained within this letter please contact Niall Robb (niall.robbs@uregni.gov.uk).

Yours sincerely,

(Sent by email with no signature)

Colin Broomfield
Director
Markets
Utility Regulator

cc: Michael Atcheson
Liam McLoughlin
SONI Regulation
John Melvin
Barry Hussey