

All interested parties, stakeholders in Northern Ireland and beyond, and other regulatory bodies

29 June 2017

Our Ref: WM018-11-355

Dear All

Decision on the amended proposal by all Nominated Electricity Market Operators (NEMOs) for the Market Coupling Operator Plan (MCO Plan)

On 13 April 2017 in line with Articles 7(3), 9(6) and 9(12) of the Regulation establishing a guideline on Capacity Allocation and Congestion Management (the CACM Regulation), the Utility Regulator received a proposal for the Market Coupling Operator Plan (MCO Plan). The proposal was submitted by SEMOpx, who are responsible for ensuring SONI Limited's obligations under their designation as NEMO in Northern Ireland.

This letter sets out the Utility Regulator's decision to approve, in line with the all Regulatory Authorities' agreement dated 16 June 2017, the second amendment to the proposal for the MCO Plan, and outlines the necessary next steps.

Background

The MCO Plan outlines how NEMOs will jointly set up and perform the MCO functions¹, including necessary draft agreements between NEMOs and third parties. The plan should include a detailed description and the proposed timescale for implementation, which shall be not longer than 12 months, and a description of the expected impact of other terms and conditions or methodologies on the establishment and performance of the Market Coupling Operator functions.

¹ The MCO functions are set out in Article 7(2) of the CACM Regulation.



Decision

The Utility Regulator has reviewed the amended proposal for the MCO Plan, submitted on 13 April 2017, in line with the requirements of the CACM Regulation, the wider objectives of Regulation (EC) 714/2009², and the Utility Regulator's principal objective and general duties.

The Utility Regulator has closely cooperated and coordinated with the all Regulatory Authorities to reach an agreement on the amended proposal for the MCO Plan. On 16 June 2017, all Regulatory Authorities agreed that the amended MCO Plan meets the requirements of Regulation 2015/1222 and as such can be approved. This all Regulatory Authority agreement is attached as an annex to this decision, and constitutes the reasons for the Utility Regulator's decision.

In line with the all Regulatory Authorities agreement, the Utility Regulator hereby approves the proposed MCO Plan submitted by SEMOpx on 13 April 2017.

Next Steps

In accordance with this decision, the MCO proposal will take effect following approval by all Regulatory Authorities. As such, SEMOpx must publish the proposal on the internet in line with Article 9(14) of the CACM Regulation. If you have any queries regarding the information contained within this letter or the all Regulatory Authority agreement, please contact jeanpierre.miura@uregni.gov.uk.

Yours faithfully

Jo Aston

Director of Wholesale Markets, Utility Regulator.

² REGULATION (EC) No 714/2009 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003