

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

29 June 2017

Our Ref WM018-11-357

Dear All

Approval of the proposal for the establishment of Fallback procedures

On 14 December 2016, the Utility Regulator received a proposal for the establishment of Fallback procedures from the Northern Ireland TSO, SONI Limited, in line with Article 44 of the Guideline on Capacity Allocation and Congestion Management (the CACM Regulation)¹.

This letter sets out the Utility Regulator's decision to approve the fallback procedures proposal, pursuant to Article 9(6) and Article 9(10) of the CACM Regulation.

Background

The TSOs of the Ireland-UK (IU) Capacity Calculation Region submitted a proposal for the day-ahead Fallback procedures to apply to the bidding zone border between Great Britain and the Single Electricity Market of Ireland and Northern Ireland to the relevant National Regulatory Authorities (NRAs)² on 14 December 2016.

The Fallback proposal is based upon the reallocation of the day-ahead cross-zonal capacity to the intra-day timeframe. This is proposed to be done through the interim intraday coupling solution of auctions of the Great Britain – Single Electricity Market bidding zone border.

¹ [COMMISSION REGULATION \(EU\) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management](#)

² The Utility Regulator in Northern Ireland, CER in Ireland and Ofgem in Great Britain

The Fallback procedures proposal was consulted on in line with Article 44 and Article 12 of the CACM Regulation. The proposal includes proposed timescales for its implementation, and a description of its expected impact on the objectives of the CACM Regulation, in line with CACM Article 9(9).

Decision

The Utility Regulator has reviewed the proposal in line with the requirements of the CACM Regulation, the wider objectives of Regulation (EC) 714/2009³, and the Utility Regulator's principal objectives and duties.

The Utility Regulator has closely cooperated and coordinated with the relevant Regulatory Authorities to reach an agreement on the IU TSO Proposal for the Fallback procedures submitted in accordance with Article 44 of the CACM Regulation.

The relevant Regulatory Authorities' agreement, reached on 13 June 2017, is attached as an Annex to this decision, and constitutes the reasons for the Utility Regulator decision.

In line with the relevant Regulatory Authorities' agreement, the Utility Regulator hereby approves the Fallback procedures proposed by SONI Limited.

Next Steps

In accordance with this decision, the Fallback procedures proposal will take effect following approval by all relevant Regulatory Authorities. As such, SONI Limited must publish the proposal on the internet in line with Article 9(14) of the CACM Regulation. The proposal must be implemented on the date when market coupling on the bidding zone border between Great Britain and the Single Electricity Market of Ireland and Northern Ireland will be in place.

³ [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](#)

If you have any queries regarding the information contained within this letter or the all Regulatory Authority opinion, please contact jeanpierre.miura@uregni.gov.uk.

Yours faithfully



Jo Aston
Director of Wholesale Markets