

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

26 June 2017

Our Ref: D/17/10351

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, following our second amendment request dated 15 February 2017¹, and 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)², the CER received the second amendment of all NEMOs proposal for the Market Coupling Operator Plan (MCO Plan). The proposal was submitted by SEMOpx, the designated NEMO in Ireland.

This letter sets out the CER's decision to approve, in line with the all Regulatory Authorities agreement, the second amendment to the proposal for the MCO Plan and outlines the necessary next steps that must be taken.

Background

The MCO Plan outlines how NEMOs will jointly set up and perform the MCO functions³, including necessary draft agreements between NEMOs and with third parties. The plan should include a detailed description and the proposed timescale for implementation, which shall not be 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 MCO functions.

The CER received the first all NEMOs proposal for the MCO Plan on 14 April 2016.

The all Regulatory Authorities agreement, reached on 13 September 2016, constituted the basis for the CER decision to request an amendment to the all NEMOs proposal for the MCO Plan on 14 October 2016.

On 14 December 2016, in accordance with the Article 9(12) of the CACM Regulation, the NEMOs submitted an amended all NEMOs proposal for the MCO Plan. The CER received the proposal by SEMOpx.

Having reviewed the amended proposal for the MCO Plan and in line with the all Regulatory Authorities view, the CER came to the conclusion that the proposal omitted important parts of the requested amendments set out in the all Regulatory Authority

¹ <https://www.cer.ie/docs/001137/CER17030%20Decision%20on%20the%20MCO%20Plan.pdf>

² <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R1222&from=EN>

³ The MCO functions are set out in Article 7(2) of the CACM Regulation.

agreement and agreed not to approve the amended MCO Plan. In line with the all Regulatory Authorities agreement, reached on 9 February 2017, and for the second time, the CER requested on 15 February 2017 an amendment to the proposal for the MCO Plan, pursuant to Articles 9(6) and 9(12) of the CACM Regulation.

On 13 April 2017, in accordance with Article 9(12) of the CACM Regulation, the designated Irish NEMO, SEMOpx, submitted for a second time an amended all NEMOs proposal for the MCO Plan.

Decision

The CER 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 the Regulation (EC) 714/2009⁴, and the CER's statutory duties and obligations.

The CER 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.

The all Regulatory Authorities agreement is attached as an Annex to this decision letter and constitutes the reasons for the CER decision.

In line with all Regulatory Authorities agreement, the CER hereby approves the proposed MCO plan submitted by the Irish NEMO 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 matanasova@cer.ie.

Yours sincerely,



Laura Brien
Director Energy Markets, CER

⁴ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0015:0035:EN:PDF>