

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

21 September 2017

Our ref: D/17/16968

Dear All,

## **Approval of the SEM-GB Cross-Border Clearing and Settlement Arrangements**

In accordance with Article 77 of EU Commission Regulation 2015/1222, establishing a guideline for Capacity Allocation and Congestion Management (CACM), the National Regulatory Authorities are responsible for approving cross-border clearing and settlement arrangements.

On 18 July 2017, SEMOpx,<sup>1</sup> submitted a proposal for the SEM-GB Cross-Border Clearing and Settlement Arrangements. The submission proposes that the task of Central Counter Party (CCP) be delegated to European Commodity Clearing (ECC) and recommends that the Intra Central Counter Party shipping model be implemented on the SEM-GB border. Costs incurred from clearing and settlement are to be levied as fees on Interconnector Owners.

This letter sets out the CER decision to approve SEMOpx proposed arrangements pursuant to Article 9(6) of CACM.

An equivalent letter approving the same SEM-GB Cross-Border Clearing and Settlement Arrangements has been published by the Utility Regulator (UR).

### **Next Steps**

In accordance with this decision, the SEM-GB Cross-Border Clearing and Settlement Arrangements will take effect following approval of the relevant Regulatory Authorities. As such SEMOpx must publish the proposal on the internet in line with Article 9(14). The proposal must be implemented on the date when market coupling on the bidding zone border between Great Britain and Single Electricity Market in Ireland and Northern Ireland will be in place.

If you have any queries regarding the information contained within this letter please contact Mariela Atanasova (matanasova@cer.ie).

Yours sincerely,



Laura Brien  
Director Energy Markets, CER

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<sup>1</sup> Under CACM, EirGrid and SONI were each designated a "Nominated Electricity Market Operator" (NEMO) for Ireland and Northern Ireland and were tasked with delivering NEMO services across the all-island bidding zone. These services were to be undertaken through the contractual joint venture of SEMOpx.

