



**SEM Multi-Year Markets Plan Industry Forum –
Information Note**

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15 May 2025

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Context

On Friday 11th April 2025, the SEM Committee and Regulatory Authorities hosted an Industry Forum with EirGrid plc and SONI Ltd to provide an opportunity for market participants to discuss initial proposals to develop a SEM Multi-Year Markets Plan. An overview of the proposals is included in the slides published alongside this note.

The industry forum focused on questions relating to what the Plan should include, how to prioritise and preparedness. Participants were arranged into round tables with a blend of industry representation at each table to allow for a collaborative approach to discussion and feedback.

Key messaging

The key takeaways and common themes which were communicated by industry at the event are:

- Industry can be prepared for the level of change foreseen under the right conditions;
- A holistic SEM Multi-Year Markets Plan with a clear end-goal and objectives can enable industry preparedness and facilitate investment;
- A change management programme (similar to the 'I-SEM' project) to drive the plan and promote clarity and transparency is considered beneficial;
- There is a need for strong co-ordination across government, regulators and transmission system operators;
- The SEM Multi-Year Markets Plan should be sufficiently long-term to enable industry resourcing and preparedness; and
- Further workshops of this type should be organised on a reoccurring basis.

Next Steps

We would like to extend our thanks to EirGrid/SONI and the participants who attended the forum for their discussion and engagement at the event. It was valuable for us to discuss the proposals with a range of industry participants and to receive feedback.

The SEM Committee, RAs and EirGrid/SONI will consider the feedback received and will communicate next steps in June 2025.

Summary of industry feedback to questions posed

The following paragraphs summarise key points raised by participants during the feedback session in response to each question.

Question 1: Are industry prepared for the level of change foreseen within a Multi-Year Markets Plan?

Participants broadly agreed that industry are not currently prepared but that they can be with the right notice and under the right conditions. In particular, participants expressed that greater clarity and transparency around timelines, the scale of change, what to prioritise, the potential costs and any synergies in how the projects fit together would ensure that they can prepare effectively. A desire was expressed for a holistic plan with a clear end goal. Finally, participants raised that industry should be engaged early in the process, welcomed the early engagement through this forum and sought further opportunities for engagement. The feedback received indicated that a Multi-Year Plan that incorporated these elements would help provide signals and assist with resource planning.

Specific points raised by individual groups in the discussion session related to the content of the plan and the ability to prepare. For example, one group stated that we need to consider the end goal and outline which objective each programme contributes to, to enable preparation. Another stated that there is a need to 'map the interlinkages' which 'might inform prioritisation' of the various projects currently considered for the Multi-Year Plan.

There was also a desire for clear information to be provided to industry in both concise and detailed formats to help industry prepare for the level of change foreseen. Specifically, one group fed back that the information provided should be concise while another acknowledged that complexity probably cannot be avoided due to the nature of our market. One group stated that the capacities of different market actors varies with some market participants having a greater capability to prepare. Providing clear information could help those market participants with lower capacity to prepare.

Question 2: What do you expect from a SEM Multi-Year Markets Plan?

Participants expect that a SEM Multi-Year Markets Plan will delivery clarity on the proposed projects, the prioritisation of projects and how this was decided, the deliverables for each project, an indication of the potential costs and the timelines for change. The plan should identify the interdependencies between the projects including where a delay to one may impact others. This kind of holistic plan could be driven by a joined-up programme management office, including a change

management programme similar to the I-SEM project. One group expected that this would include a quality assurance programme and a query log that is open to all.

Participants sought time to plan and expect the plan to provide a long-term vision on a 5–10-year time horizon, similar to the Ten-Year Network Development Plan. It was suggested that there could be a joined-up approach with the network development plans. Feedback indicated that market participants need a clear end goal with one group suggesting that an ‘all-island market policy’ would be beneficial given the scale of the change foreseen. Other groups discussed the costs and whether a change to long-term cost recovery or an intergenerational approach with very long-term financing could be considered in the plan.

Participants, however, sought that the plan should strike a balance between ambition and realism. One group identified that the plan should not have unrealistic go-live dates to ensure that resources are deployed correctly. Feedback indicated that further consultation and meaningful input, including to the prioritisation of projects, with industry is expected as part of a SEM Multi-Year Markets Plan.

Question 3: Are there any areas missing from the list of projects in the Multi-Year Markets Plan?

Participants were provided with background information on the list of projects identified as potentially being part of the SEM Multi-Year Markets Plan in advance of the industry forum. Participants identified that prioritisation was missing from the list of projects. Some groups gave examples of some projects that should be progressing more quickly than at present (such as the CRM+27 and CBAM) while others expressed that the titles could be more specific or focussed.

Participants identified that the list of potential projects was expansive and discussed how this could be streamlined. It was identified that the list of projects was missing a clear end goal or long-term vision. There was a general sense that the projects needed to be holistic and identify any synergies, interactions or interdependencies between projects. One group stated that we should not do ‘compliance for compliance sake’ and expressed that we should seek derogations from EU legislation ‘that don’t work for us [the SEM]’. It was acknowledged that seeking derogations may itself require resourcing.

Question 4: Do you anticipate any challenges in implementing the changes foreseen in the Multi-Year Markets Plan?

Participants identified a suite of challenges in implementing the changes foreseen in the indicative SEM Multi-Year Markets Plan including: the scale of change; costs of implementation and resource scarcity for industry, TSOs and regulators; complexity and the anticipated need for Day 1+ changes; change fatigue; the changing external political environment; adapting to new technologies (e.g. AI); and the impact on consumers without sufficient buy-in. Further, the availability of experts and IT

vendors was identified as a challenge at present which could worsen further. As one group stated, 'most countries are striving for the same goal' and therefore are also competing for the same resources.

It was also identified that clarity on the end goal is required, backed up by joined-up thinking amongst policymakers and aligned policy. Without this, investment could be held up. For example, one group stated that it is challenging to translate the challenge to a business case and invest in a project without a clear end goal. Moreover, it was expressed that the increasing complexity of the market could be a challenge to investment if not managed carefully.

Question 5: What criteria should be used to prioritise projects in the Multi-Year Markets Plan?

Participants expressed a range of options for criteria that should be used to prioritise projects in the Multi-Year Markets Plan. In the aggregate, it was felt that criteria should look at whether this was a mandatory/legislative requirement, the costs and benefits, the effort required, the potential impacts, the time to implement/deliverability and the impacts on the objectives of affordability, security of supply and decarbonisation.

Participants expressed that it is important to consider whether there are any dependencies between projects and ensure that every action is tied to meeting one or more objective. The purpose of the prioritisation was seen to be identifying the optimum approach and identifying particular projects such as 'low-hanging fruit/easy wins', 'biggest bang for our buck' or 'slow burn but need continuous engagement'.

One group raised whether an additional set of criteria are needed to determine what we can deprioritise. This fed into a wider topic raised by participants around compliance with mandatory/legislative requirements. Participants identified that it was better to resource upfront than expending resources on dealing with problems associated with non-compliance. It was considered by participants that while this was important, flexibilities such as derogations should be employed where necessary and considered during the prioritisation process. However, one group noted in their feedback that seeking derogations requires resources and political will/buy-in which itself needs to be resourced.