

Mr. Garrett Blaney,

Commission for Energy Regulation

The Exchange,

Belgard Square North

Tallaght

Dublin 24

Dear Garrett,

Designation of Nominated Electricity Market Operator (NEMO)

Article 4.1 of the Capacity Allocation and Congestion Management (CACM) Regulation requires Member States to ensure designation of at least one entity to perform the role of Nominated Electricity Market Operator (NEMO) within that Member State's bidding zones. This must be accomplished within four months of the coming into force of the Regulation.

Under the provisions of article 4.3 of the CACM Regulation, unless otherwise provided by Member States, National Regulatory Authorities shall designate NEMOs.

Article 5 of the Regulation allows a Member State to refuse the designation of more than one NEMO in that Member State or its bidding zone and permits the Member State to refuse cross border trading services offered by a NEMO designated in another Member State, if a national legal monopoly for day-ahead and intraday trading services which excludes the designation of more than one NEMO already exists in that Member State.



I confirm that Ireland does not intend to seek to invoke the monopoly clause in article 5 for NEMO functions. I also confirm that, in accordance with article 4.3, the Commission for Energy Regulation will be the designating authority for NEMOs.

I understand that the Department of Enterprise, Trade and Investment (DETI) in Northern Ireland will write in similar terms to the Utility Regulator of Northern Ireland (UR) asking them to progress the same NEMO designation arrangements in the Northern Ireland. Given the ongoing and future single market arrangements in Ireland and Northern Ireland, I know you appreciate the importance of practical cooperation between the designating authorities.

Yours sincerely,

Ken Spratt

Assistant Secretary for Energy