

# I-SEM Capacity Remuneration

**Project Update**

**5 August 2015**



# I-SEM CRM Project Update

- I-SEM General Project Update
- CRM Project Update
- Policy Development and Consultation Process
- Consultation 1 Overview

# I-SEM General Project Update

- I-SEM continues to be on target for Q4 2017
- Project split into the following workstreams:
  - Capacity Remuneration Mechanism
  - Energy Trading Arrangements
  - Market Power
  - Forwards and Liquidity
  - Governance and Licensing
  - Legal
  - Project Office

# I-SEM General Project Update - continued

- Significant activity across the workstreams with 9 recent publications and presentations available on the AIP website
- Close working with TSO on design and planning across the workstreams
- Ongoing engagement with Departments and EU

# CRM Project Update – Project Team

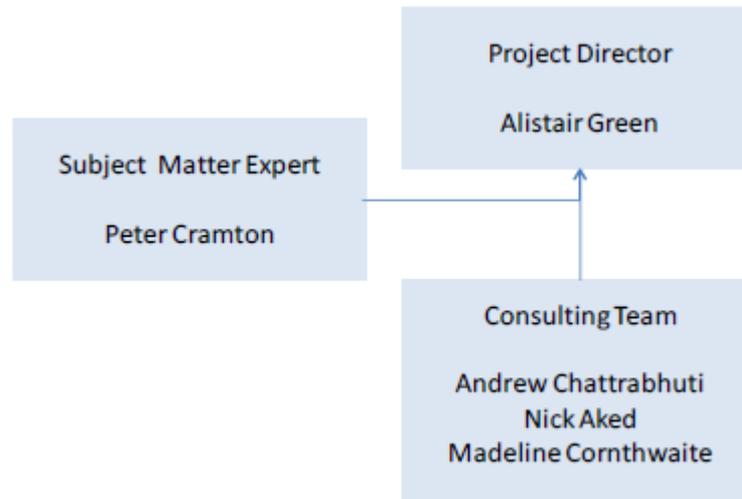
## Project Team

### RA Team

- Colin Broomfield
- Philip Newsome
- Natalie Dowey
- Brian Mulhern
- Tom Quinn
- Mary O’Kane

### Consultancy Support

(Energy Strategy and Policy (ESP) Consulting)



TSO input - EirGrid / SONI

# CRM Project Update - Context

- High Level Design Decision
  - I-SEM will include a Capacity Remuneration Mechanism (CRM)
- Detailed Policy Development
  - Three stage consultation and decision process
  - ESP Consulting procured to support first two
- Consultation 1
  - Published 2<sup>nd</sup> July; Responses by 17<sup>th</sup> August
  - Workshop 1b to provide clarification
  - Further workshop in advance of decision
- Cognisant of European Developments and other RA work streams

# CRM Project Update – End to End Process



## Consultation 1

	Determine key requirement data	Pre Qualification	Auction	Build	Operate
Capacity Requirement	Blue	White	White	White	White
Eligibility	White	Blue	White	White	White
Product Design	White	White	White	White	Blue
Supplier Arrangements	White	White	White	White	Blue
Institutional Framework	Blue	Blue	Blue	Blue	Blue

# CRM Project Update – High Level Timelines

Deliverable	From	To
Consultation and Decision 1	Jun-15	Oct-15
Workshop 1c (pre decision)	End Sep (28 <sup>th</sup> indicative)	
Consultation and Decision 2	Nov-15	Mar-16
Workshop 2a (pre consultation)	End Sep (29 <sup>th</sup> indicative)	
Consultation on Auction Rules	Jan-16	Jul-16

- State Aid Process
- Implementation

# CRM Project Update - Overview of Policy Development

- 3 stage policy consultation and decision process

## Consultation1

- Capacity requirement
- Eligibility
- Product Design
- Supplier arrangements
- Institutional arrangements

## Consultation 2

- Delivery timeframe and contract length
- Transitional arrangements
- Secondary trading
- Cross border arrangements

## Consultation on Auction Rules

- Auction Frequency
- Auction Format
- Market Power Mitigation Measures