

## **Consultation Paper**

### **on Day Ahead and Intraday Proposals for arrangements concerning more than one Nominated Electricity Market Operator (NEMO) in the SEM bidding zone**

SEM-17-073

21 September 2017

In July 2017, the CER and UR received a proposal by the TSOs (EirGrid and SONI) on arrangements concerning more than one Nominated Electricity Market Operator (NEMO) in a bidding zone. This proposal was submitted in accordance with Article 45 and 57 of Regulation (EC) 2015/1222 on Capacity Allocation and Congestion Management<sup>1</sup> (CACM), regarding cross-zonal capacity allocation and other necessary arrangements in bidding zones where more than one NEMO is designated and/or offers trading services.

Under CACM, EirGrid and SONI were each designated as NEMO for Ireland and Northern Ireland respectively 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.

On 17 January 2017 a second NEMO demonstrated its intention to offer services for single day-ahead and single intraday coupling in the new integrated single electricity market – I-SEM. Articles 45 and 57 of CACM require the TSO to develop a proposal regarding cross-zonal capacity allocation and other necessary arrangements in bidding zones where more than one NEMO is designated and/or offers trading services.

In the case of a bidding zone containing more than one NEMO, the TSO(s) operating in that bidding zone is/are required to propose arrangements that in normal coupled operation will allow the matching of market participants' orders between the relevant NEMOs within that bidding zone, and also to enable interconnector capacity to be accessible to both NEMOs in the bidding zone.

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<sup>1</sup> <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R1222&from=EN>

The proposal submitted by the TSOs outlines different models applied by different Member States for the implementation of a multi-NEMO approach. As the exact details of how the all-island market system would be impacted depend on the choice of design option of introducing a new NEMO and due to the importance of this decision, the CER and UR are of the view that market participants should have the opportunity to comment upon the proposal. This is important in allowing the CER and UR to understand which design solution will be the best one for I-SEM.

Accordingly, the TSO's document is being published for comments. Any comments or queries in relation to this paper should be sent to Mariela Atanasova ([matanasova@cer.ie](mailto:matanasova@cer.ie)) and Ian McClelland ([Ian.McClelland@uregni.gov.uk](mailto:Ian.McClelland@uregni.gov.uk)) by 2 November 2017 close of business.