

# SINGLE ELECTRICITY MARKET COMMITTEE

System Services

Future Arrangements

Scoping Paper

SEM-20-044

**08 July 2020** 

## 1. INTRODUCTION & BACKGROUND

The purpose of this paper is to engage with stakeholders on the SEM Committee's proposed approach to a set of enduring arrangements for System Services beyond the current Regulated Arrangements, which are set to expire on 30 April 2023. It sets out the scope of the work to be carried out by the Regulatory Authorities (RAs), the issues arising, and asks a number of questions of stakeholders on this scope and the issues raised.

In July 2014 the SEM Committee held a consultation on the procurement design of System Services (SEM-14-059)<sup>1</sup>. As part of this consultation the SEM Committee indicated a preference for a competitive approach that will maximise the benefits to consumers. Subsequently, on 19 December 2014, the SEM Committee published its decision (SEM-14-108)<sup>2</sup>. Upon review of the consultation responses, the SEM Committee decided that a more phased approach than originally proposed was appropriate, given the difficulties in implementing a fully market based approach due to an insufficient level of competition at this time. This meant the move to a market based approach was effectively paused while the revised phased approach was implemented. Nevertheless, the stated intention of the SEM Committee at that time was to transition to competitive market based arrangements at some point in the future.

Following the decision, the SEM Committee and the TSOs commenced work to implement the procurement design and the TSOs' held a number of consultations on the detailed design. Ultimately, a set of contractual arrangements were determined and published on 12 December 2017 (SEM-17-094)<sup>3</sup>. These put in place a set of regulated arrangements until 30 April 2023.

In the context of the need to put in place a set of arrangements to apply beyond that date, and to provide stakeholders with sufficient advance notice of such developments, in 2019 the RAs began exploring potential options in this context and have engaged with the TSOs extensively in this regard. As part of this, the RAs looked at recent development of European requirements in this area, the stated aims by the Irish and UK governments to transition to energy systems which are predominantly supplied by low carbon sources of electricity, and how these could be delivered in a manner that ensures value for the consumer.

The RAs are aiming to have a decision on the framework published in Q1 2021, in order to have the framework implemented by 1 May 2023. There is scope to extend the current contracts by two periods of 18 months. The RAs may exercise this option should any issues arise which delay the implementation of a new framework.

 $<sup>{}^{1}\,\</sup>underline{\text{https://www.semcommittee.com/news-centre/procurement-design-system-services-consultation}}$ 

<sup>&</sup>lt;sup>2</sup> <u>https://www.semcommittee.com/sites/semcommittee.com/files/media-files/SEM-14-</u>

<sup>108%20</sup>DS3%20System%20Services%20Decision%20Paper.pdf

<sup>&</sup>lt;sup>3</sup> https://www.semcommittee.com/sites/semcommittee.com/files/media-files/SEM-17-094%20SEMC%20Decision%20Paper%20on%20Contracts%20for%20Regulated%20Arrangements.pdf

#### 1.1. European Requirements

Over the past number of years, several European directives, regulations and decisions have been published which require Member States to comply. These have included a number of decisions which have a bearing on how System Services are procured. On 23 November 2017 the European Commission published a regulation (EU 2017/2195) establishing a guideline on electricity balancing (hereafter referred to as EBGL). Article 32 of EBGL set out requirements for the procurement of balancing capacity as follows:

- 'the procurement method shall be market-based for at least the frequency restoration reserves and the replacement reserves; and
- the procurement process shall be performed on a short-term basis to the extent possible and where economically efficient.'

The SEM Committee interprets that balancing capacity products at least cover the reserve based System Services, as set out in Table 1 below and the RAs are currently engaging with the TSOs around the scoping of EBGL and how it will be implemented in Ireland and Northern Ireland.

Additionally, on 5 June 2019 the European Commission published a Regulation (EU 2019/943) and Directive (EU 2019/944) relating to the Clean Energy Package and the internal market for electricity (hereafter collectively referred to as "CEP"). The CEP offers further distinction between frequency based services, which would largely fit under the balancing capacity products, and non-frequency services which the SEMC has interpreted to include inertia and voltage products that do not align with the definitions for any of the standard balancing capacity products.

Article 6 of Regulation 2019/943 of the CEP sets out further requirements for balancing capacity as follows:

'Contracts for balancing capacity shall not be concluded more than one day before the provision of the balancing capacity and the contracting period shall be no longer than one day, unless and to the extent that the regulatory authority has approved the earlier contracting or longer contracting periods to ensure the security of supply or to improve economic efficiency.

Where a derogation is granted, for at least 40 % of the standard balancing products and a minimum of 30 % of all products used for balancing capacity, contracts for the balancing capacity shall be concluded for no more than one day before the provision of the balancing capacity and the contracting period shall be no longer than one day. The contracting of the remaining part of the balancing capacity shall be performed for a maximum of one month in advance of the provision of balancing capacity and shall have a maximum contractual period of one month.......At the request of the transmission system operator, the regulatory authority may decide to extend the contractual period of the remaining part of balancing capacity to a maximum period of twelve months provided that such a decision is limited in time, and the

positive effects in terms of lowering of costs for final customers exceed the negative impacts on the market.'

Articles 31, 32 and 40 of the CEP Directive EU 2019/944 place requirements on both the DSO (Art. 31 and 32) and TSO (Art. 40). Article 31 states that;

'the distribution system operator shall procure the non-frequency ancillary services needed for its system in accordance with transparent, non-discriminatory and market-based procedures, unless the regulatory authority has assessed that the market-based provision of non-frequency ancillary services is economically not efficient and has granted a derogation.'

Article 40 of the CEP includes the following in relation to the TSO:

'Transmission system operators shall procure balancing services subject to the following:

transparent, non-discriminatory and market-based procedures.... unless the regulatory authority has assessed that the market-based provision of non-frequency ancillary services is economically not efficient and has granted a derogation.'

Additionally, Article 40 of the CEP Directive clearly sets out the role of the TSO in terms of managing the overall procurement of the appropriate System Services to manage the system needs:

- '1. Each transmission system operator shall be responsible for: ......
- (d) managing electricity flows on the system, taking into account exchanges with other interconnected systems. To that end, the transmission system operator shall be responsible for ensuring a secure, reliable and efficient electricity system and, in that context, for ensuring the availability of all necessary ancillary services, including those provided by demand response and energy storage facilities, insofar as such availability is independent from any other transmission systems with which its system is interconnected ......
- (i) procuring ancillary services to ensure operational security;...'

The CEP highlights the increasing importance of Distribution System Operators (DSO) in the management of System Services. Article 31 states:

'Where a distribution system operator is responsible for the procurement of products and services necessary for the efficient, reliable and secure operation of the distribution system, rules adopted by the distribution system operator for that purpose shall be objective, transparent and non-discriminatory, and shall be developed in coordination with transmission system operators and other relevant market participants'.

Given this, the SEM Committee will give due consideration to the role of the DSO in developing the Future Arrangements and this role will be explored in more detail in future consultations. At this time the SEM Committee is seeking stakeholder views on the role of DSOs in the development and management of system services.

The SEM Committee is seeking to explore a variety of options that could be adopted in order to comply with these requirements, which are set out in this paper. This requires an informed view of the potential economic efficiency of a market based approach to the procurement of each System Service, the scope for a competitive approach and the potential requirement for an RA approved derogation. Views will be sought from stakeholders on these issues and the proposals arising. This will then inform the scope of the work to be progressed by the RAs.

## 1.2. National Plans

On 17 June 2019 the Irish Government published the Climate Action Plan 2019 To Tackle Climate Breakdown. The purpose of this plan is to deliver on a set of integrated policies which would see Ireland achieve its 2030 emissions targets. The roll out of System Services is called out under Action 24 of the list of actions annexed to the plan.

The UK's Climate Change Act 2008 (Section 1) was amended on 27 June 2019 to legally set out that the UK's net carbon emissions for the year 2050 are to be 100% lower than the 1990 baseline.

Both these ambitions have led to an increased focus on the development of renewable projects on the island of Ireland, and it is forecast that there will be continued significant growth in the connection of renewable generation in the coming years. The SEM Committee therefore considers it vital that a framework for System Services is developed which will enable enhanced system capability to accommodate an increase in renewables.

#### 1.3. Objective and Assessment Criteria

The SEM Committee considers it important to set out the stated objective to frame the work required to develop the new framework. The proposed objective of the project is:

• to deliver a competitive framework for the procurement of System Services, that ensures secure operation of the electricity system with higher levels of non-synchronous generation.

In order to better facilitate the achievement of this objective, the SEM Committee has developed a set of criteria for assessing the proposed framework:

- Consumer Value: The pricing of services will be market-based in so far as these secure competitive outcomes in order to deliver consumer value, while taking into account levels of market power for each service and consequent potential need for approval of derogations.;
- 2. **European Compliance:** The arrangements will comply with relevant legislation including the Clean Energy Package (CEP) and the Electricity Balancing Guideline (EBGL) Network Code;
- 3. **System Need:** The framework will operate in a manner that ensures the needs of the electricity system including security of supply are maintained.

- 4. **Alignment:** The SEM Committee will seek to ensure appropriate alignment between the markets in energy, capacity and System Services, along with all other relevant revenue streams, to ensure an efficient overall outcome for consumers;
- 5. **Accuracy:** The volume of services procured should match the requirements of the system as accurately as possible; and
- 6. **Adaptability:** The framework should be sufficiently agile to meet any system changes caused by future policy developments.
- 7. **Simplicity:** The framework should be sufficiently simple and transparent to be readily understood and accessible to all stakeholders.

#### 1.4. Document Structure

This paper is structured as follows:

- 1. Introduction and Background
  - 1.1. European Requirements
  - 1.2. National Plans
  - 1.3. Objective and Assessment Criteria
  - 1.4. Document Structure
- 2. Proposed Overall Approach
- 3. Market Based Arrangements
  - 3.1. Governance Arrangements
  - 3.2. Auction Design
- 4. Fixed Contract Arrangements
- 5. Additional Considerations
- 6. Next Steps

- 1) Are there additional requirements in EU legislation or national policy that should be considered as key guidance for the project?
- 2) What should the role of DSOs be in development of the new arrangements?
- 3) Should any further assessment criteria be included in this workstream?

## 2. PROPOSED OVERALL APPROACH

The DS3 Project has developed a range of System Services with associated volumes and regulated tariffs. An expenditure cap has acted as protection for consumers. It is now proposed that a competitive framework for procurement is developed that will transition current arrangements to a market based approach, as required by European legislation. This legislation recognises that a purely market based approach may not result in competitive outcomes and has allowed the RAs to approve derogations from such an approach if it is not economically efficient.

It is considered that a market based approach will primarily involve auctions, but auctions are not the only market based approach that might be taken, and alternatives may include competitive tenders etc. It may also be the case that the transition to a fully market based approach will involve stages, dependent on an evaluation of the maturity of the market and its readiness for such an approach, to produce a competitive outcome. This may impact the various System Service products differently as the grounds for a market approach differ for each product.

Assessing the potential range of providers of the various System Services is only one side of a market based approach and it will be important to ensure incentivisation of the demand/purchaser side and the volume of services to be procured, which will influence both the price of an individual service and overall cost to consumers. In this respect the RAs intend to review the experience of the existing regulated tariff approach and the potential of the market to enable a market based approach that will deliver competitive outcomes. Where it is determined that a market based approach would not be economically efficient the RAs will consider alternative procurement options.

These decisions will be heavily influenced by perceived levels of market power and the RAs will work with the TSOs to determine the levels of market power that exist. Again, the level of market power will vary by product. Market based approaches may still be considered to produce competitive outcomes that are economically efficient if market power mitigation measures can be considered to enable such outcomes. A key part of the scope of the Project will therefore be the evaluation of market power and the potential effectiveness of market power mitigation measures. It is not assumed in advance that such measures will allow economically efficient outcomes and derogations may be necessary, but it is assumed that a market based approach provides the best framework to develop necessary System Services should market power concerns be satisfactorily addressed.

The Table below sets out the 14 System Services that currently exist including their abbreviation and a brief description:

Table 1: System Services			
Service	Abbreviation	Description	Balancing Capacity
Primary Operating Reserve	POR	MW delivered between 5 and 15 seconds	FCR
Secondary Operating Reserve	SOR	MW delivered between 15 to 90 seconds	FCR
Tertiary Operating Reserve 1	TOR1	MW delivered between 90 seconds to 5 minutes	FCR/FRR
Tertiary Operating Reserve 2	TOR2	MW delivered between 5 minutes to 20 minutes	FRR
Replacement Reserve - Synchronized	RRS	MW delivered between 20 minutes to 1 hour	FRR/RR
Replacement Reserve - Desynchronized	RRD	MW delivered between 20 minutes to 1 hour. Unit has capability to ramp up from a desynchronized state	FRR/RR
Synchronous Inertial Response	SIR	Stored Kinetic Energy – Rotating mass of a unit, not active power	N/A
Fast Frequency Response	FFR	MW delivered between 0.15 and 10 seconds	N/A
Fast Post Fault Active Power Recovery	FPFAPR	Recovery of a providing unit's MW output following a fault (90% of pre-fault output within 250ms of voltage recovery)	N/A
Steady State Reactive Power	SSRP	(MVAr capability)*(% of capacity that MVAr capability is achievable)	N/A
Dynamic Reactive Response	DRR	MVAr capability during large (>30%) voltage dips	N/A
Ramping Margin 1	RM1	Increased MW output that can be delivered within 1 hour for a duration of 2 hours	N/A
Ramping Margin 3	RM3	Increased MW output that can be delivered within 3 hours for a duration of 5 hours	N/A
Ramping Margin 8	RM8	Increased MW output that can be delivered within 8 hours for a duration of 8 hours	N/A

It is considered by the RAs that all these products are within the scope of Articles 31 and 40 of Directive EU 2019/944 and that POR, SOR, TOR1, TOR2, RRS and RRD are balancing products and are within the scope of Article 6 of Regulation EU 2019/943 of the CEP and also within the scope of EBGL.

- 4) Is the general approach to the Project appropriate and complete?
- 5) For which products is a market based approach appropriate? What sort of market based approach is most appropriate?
- 6) For which products is a market based approach not appropriate? Why is a market based approach not appropriate for these products? Will an alternative approach be more economically efficient? What sort of alternative approach should be considered?

## 3. MARKET BASED ARRANGEMENTS

In furthering the objective of a market based approach that will provide for competitive outcomes and that will be economically efficient, the RAs propose considering the following issues to be within the scope of the next phase of the Project.

In developing options for future System Service arrangements, the SEM Committee will consider how to map an overall end to end process for the competitive procurement of System Services in a manner which enables an open and transparent route to auctions, which may be considered to be the favoured approach to competitive procurement, and which also aligns with European legislation. The SEM Committee also considers it important to review how such arrangements effectively interact with the energy and capacity markets.

Specifically, consideration may be given for options on how units would qualify and register for the proposed auctions, and how the auctions would operate. When considering the auction design, the SEM Committee may also look at how this could fit in with the existing processes for the trading of energy. While developing options for this overall process, further issues that would need to be addressed may arise and these are set out in the next section of the paper.

The SEM Committee considers that there might be an overall set of arrangements which would cover the general procurement of all System Services. Proposals for these are set out below, and views are invited.

#### 3.1. Governance Arrangements

The current arrangements involve a procurement window opening every six months under the gate tendering process. When a provider has qualified through the gate tender process it will receive a contract which enables it to provide the System Service products it is contracted for. The provider is then subject to the terms of the contract and the technical requirements under the Protocol Document<sup>4</sup>. There is also a Market Ruleset<sup>5</sup> which governs how providers are compensated based on their physical or market position.

Given the requirement under European Legislation to move to a market-based approach for both balancing capacity and non-frequency system services, and the requirement to hold daily auctions for balancing capacity where economically efficient to do so, it is appropriate to consider the benefits of moving from a contractual process to a more market based registration process.

The contract entered into by providers in this process sets the maximum volumes each provider may offer and the other variable terms of the contract. The terms of the contracts must be in accordance with the Contractual Principles set out in SEM-17-094. However, the

<sup>&</sup>lt;sup>4</sup> http://www.eirgridgroup.com/site-files/library/EirGrid/DS3-SS-Protocol-v3.0.pdf

<sup>&</sup>lt;sup>5</sup> https://www.semcommittee.com/publication/sem-committee-decision-paper-ds3-system-services-market-ruleset

<sup>&</sup>lt;sup>6</sup> https://www.semcommittee.com/sites/semcommittee.com/files/media-files/SEM-17-094% 20SEMC% 20Decision% 20Paper% 20on% 20Contracts% 20for% 20Regulated% 20Arrangements.pdf

SEM Committee does not review or approve the contracts themselves. The SEM Committee is looking to gather views on whether regulatory and industry involvement should be increased through the governance arrangements.

Several additional technical details are set out in a separate Protocol Document, to which providers are bound through their contract. The TSOs may make changes to the Protocol Document, however they must follow a full consultation process on the changes and all changes are subject to SEM Committee approval. This enables flexibility within the contractual arrangements while maintaining regulatory oversight of any changes which could financially impact contracted parties.

Where technology is unproven, either because the technology itself is new or its use as a service provider is new, potential providers can enter the Qualification Trial Process (QTP). The parameters of the trial are defined by the TSOs in advance and the participants are invited to tender to take part in the trial.

A further consideration is the funding of System Services payments. Historically ancillary services have made up a relatively small and predicable portion of the TSOs' costs and so it was practical to allow cost recovery through the network tariffs. However, as System Services revenues increase in size and variability, and given that under market arrangements costs will be driven by market forces, it may be appropriate for suppliers to pay directly on a weekly basis as is the case for energy or capacity.

Given the requirement under European Legislation to move to a market-based approach for both balancing capacity and non-frequency System Services, and the requirement to hold daily auctions for balancing capacity where economically efficient to do so, it is appropriate to consider the benefits of moving from a contractual process to a more market based registration process.

The option to move to a market-based registration process may be more appropriate in terms of enabling a flexible and enduring market-based framework with transparent governance, and also in the context of the principle of closer alignment with the energy and capacity markets. This process might first involve applying to register under a Ruleset or Code document which would govern the procurement of System Services and would amalgamate and adapt the current System Services Contracts, Protocol Document and Market Ruleset.

It may be understood that the European Commission is seeking to integrate balancing capacity System Services with energy markets and that such an approach may be more efficient. Taking such an approach may resolve some of the questions around governance and funding, though this will need to be explored further through the more detailed consultations.

The SEM Committee aims to carry out a detailed review of the existing gate tendering process, the Qualification Trial Process, the Protocol and Market Ruleset documents and associated governance processes, and the funding arrangements, as part of this workstream. This review will be carried out with a view to adapting these processes to the new arrangements, which will

include market-based procurement of System Services. Stakeholder views are welcome on the scope of this review and what considerations should be taken into account.

It is envisaged that the TSOs will be required to develop the final processes in more detail following RAs' consultation and the decision process on the future arrangements that will follow this Scoping Paper. The framework will also need to consider the development of operational tools and policies as any required changes become apparent. Development of new operational tools and policies will need to be considered in parallel in order to ensure they are aligned and deliver the secure operation of the electricity system with higher levels of non-synchronous generation.

Some questions are set out below. Stakeholders are asked to view these questions in the context of transitioning to a market-based framework for procuring System Services.

#### Questions:

- 7) Do stakeholders believe the current qualification process, is the most efficient approach? Do stakeholders have any alternative proposals?
- 8) What are stakeholder views on the overall current governance arrangements including the contractual principles, the Protocol Document and the market ruleset? Should these be modified into an overall protocol document which captures all of the rules for providing and procuring System Services with increased regulatory oversight?
- 9) Should System Services continue to be funded through network tariffs? Are there views on any alternative arrangements?

#### 3.2. Auction Design

As noted earlier in the paper, the stated preference of the SEM Committee during the development of the currently existing arrangements was to eventually move to a competitive approach. Additionally, the EBGL and CEP has set out a requirement to have a market-based approach for all System Services (unless such an approach is not economically efficient) and competitive daily auctions for balancing capacity.

While the European Commission definition for balancing capacity could be interpreted to only capture reserve services, following engagement with the TSOs the SEM Committee will also consider an approach that develops a framework for daily competitive auctions which can be applied to all 14 services, or any further services introduced in the future. A framework which builds other elements upon a common baseline across all products may be the most straightforward starting point for consideration.

Nevertheless, there is scope under the legislation to develop alternative market based arrangements for non-frequency ancillary services, which under the definition given in the CEP would align with voltage and inertia based System Services. Through this process, the SEM Committee aims to explore different options for the grouping of products and different market-based approaches that can be developed. Stakeholder views are therefore invited on whether

an overall daily auction framework for all System Services should be developed, or if separate arrangements should be developed for non-frequency ancillary services or for any other combination of products.

Such consideration should take into account the differential impact of market power concerns in relation to different products. Such concerns may necessitate market power mitigation measures or the continuation of regulatory arrangements. It may therefore be the case that market distortions would arise from joint-auctioned products in which certain products may be subject to limiting bidding rules.

The auction design should also take account of the different products that differing technologies can provide and the potential distortions that would arise from combined product auctions that fail to distinguish these differing technology capacities.

Consideration will also need to be given to the timing of auctions. Based on analysis of arrangements in other European countries, auctions at day ahead of energy market opening appear to be the most prevalent approach to Systems Services procurement, although for some services there is very little international experience. These auctions would require that each registered unit would bid in to provide whatever services it is registered to provide, which is an approach consistent with the European legislation.

This would allow market participants to know their System Services commitments before bidding into the Day Ahead Market. It is then the market participant's responsibility to manage their position in the ex-ante markets to meet their commitments. Longer term procurement is also possible under certain conditions; so that it may therefore be possible to retain the Fixed Contracts auction that has previously been run. This process might be an effective way of facilitating the entry of new entrants and new technology that may otherwise have difficultly securing financing. Fixed Contracts Arrangements are discussed further below.

Other options include having auctions at the same time as the day ahead market, or holding weekly auctions for each day; although these options may reduce the effectiveness of the interaction with the energy markets and unlocking of the associated economic value.

The SEM Committee is also looking to explore the most efficient mechanisms to ensure that providers of balancing capacity meet their commitments if called upon to provide balancing energy. European legislation makes a distinction between balancing capacity and balancing energy. As set out above, balancing capacity as defined under the legislation aligns with some of the System Services products. The procurement of System Services provides TSOs with the capability of using such services in the Balancing Market (BM) if required. Providers are paid for making the services available whether they are used or not.

The activation of the services is balancing energy, and this is paid separately through the Balancing Market. Therefore if a unit is paid for System Services it must necessarily have committed to making those services available to the TSO in the BM.

The SEM Committee intends to analyse the effect that any proposed design of the System Services market would have on the energy and capacity markets. It is important that the operation within and between markets provides for the most efficient outcomes as a whole.

- 10) Should all services be procured through a single daily auction framework or should bespoke arrangements be developed for the separate products?
- 11) What are stakeholders' views on the timing of auctions?
- 12) Do stakeholders have any proposals on how best to ensure commitment obligations are met?
- 13) What are the significant interactions within potential System Services product markets and between Systems Services markets and the energy and capacity markets? How should issues arising be addressed?
- 14) Do stakeholders have further views or proposals in relation to auction design?

# 4. FIXED CONTRACT ARRANGEMENTS

A separate approach for procuring System Services has been used in the past. In 2018 the RAs determined an approach for the procurement of a sub-set of System Services on specialised contracts for a six-year period (SEM-18-049). The intention of the Fixed Contracts arrangements was to incentivise entry of new technologies by providing a fixed contract term and a degree of revenue certainty, while enabling provision of services from the most cost-effective technologies able to meet the availability requirements.

The SEM Committee considers that these arrangements might be adopted for future use. Stakeholder views are welcome on whether fixed contract arrangements should be used in the future to continue to incentivise the introduction of new technologies in a manner which enables the most cost-effective provision of services.

#### Question:

15) Do stakeholders believe there would be benefit in maintaining the Fixed Contract Arrangements for future procurement runs?

## 5. ADDITIONAL CONSIDERATIONS

While developing the proposed broad scope set out above, several additional issues have been identified that may be part of the scope of the project and taken into account in determining next steps. These are set out below. The SEM Committee is now seeking the views of stakeholders on these issues. Additionally, views are welcome on any other key issues stakeholders believe may arise and will need to be considered when developing the Future Arrangements.

These issues will be explored further during the more detailed consultation phase and include:

- Potential issues around market power, which could lead to a number of issues including smaller providers being squeezed out of the market and dominant players using their position to impose a price which does not represent value to the consumer. The SEM Committee will explore options for mitigating market power as part of this work;
- 2. Sufficient investment certainty for viable projects to be progressed which facilitate the energy transition; and
- 3. Mechanisms required to smooth the transition from regulated contracts to competitive auctions.

- 16) Do stakeholders have views on the list of additional considerations above? Are there any further issues to consider?
- 17) What are stakeholders' views on the potential existence of, and options for mitigation of, market power?

## 6. NEXT STEPS

This scoping paper will now be open to response for a period of twelve weeks and will close at 5pm on Friday, 2 October 2020. The SEM Committee would welcome views on the 17 questions within this document and any additional feedback stakeholders wish to share on the scoping of the future arrangements. The SEM Committee also intends to hold workshops with interested stakeholders to facilitate a more detailed discussion on the topics. Following scoping, the aim of the SEM Committee is to then commence work on planning the detailed design of the future arrangements.

All responses should be submitted to Dylan Ashe (<u>dashe@cru.ie</u>) and Bronagh McKeown (<u>Bronagh.McKeown@uregni.gov.uk</u>).