



Single Electricity Market (SEM)

Decision on Aggregation in the SEM

SEM-20-088

8 December 2020

EXECUTIVE SUMMARY

In 2019 the EU adopted the recast Electricity Regulation (hereafter, the 'Regulation'), which is one of eight legislative files which comprises the Clean Energy for All Europeans package (CEP). The Regulation amends aspects of European wholesale electricity markets, progresses electricity market integration, and facilitates the transition to renewable energy.

At the end of 2019, the Regulatory Authorities (RAs) conducted a review to determine what requirements in the Regulation could impact existing market arrangements in the SEM. This led to the RAs reviewing the topic of aggregation and the provisions outlined in Articles 6 and 7 of the Regulation to ensure there was non-discriminatory market access for entities participating in aggregation activities in the SEM.

A Consultation Paper was published on Aggregation in the SEM at the end of June 2020 which considered the extent to which the current market arrangements may or may not align with the vision of aggregation in the CEP.

The Consultation highlighted Intermediaries, DSUs and AGUs as potential aggregators and additionally explored topics such as market accessibility and regulatory oversight of aggregators. Furthermore, it also presented the RAs initial considerations on aggregation at a retail and demand response level as required under the Electricity Directive (EU) 2019/944.

The Consultation closed in early August with nine responses. Participants' comments opposed the RAs suggestion that Intermediaries could be considered as Aggregators but were mostly in favour of the view that DSUs and AGUs fulfil aggregator functions as envisaged by the CEP. Additionally, the responses expressed views that assetless supplier units and suppliers also perform functions that fulfil the expectations of aggregation in the CEP.

The responses also highlighted that although there is room for development to enable more efficient forms of aggregation in the SEM, there is currently no explicit obstacles that would prohibit participation in aggregation functions by any market entities mentioned in the previous paragraph. The RAs have considered these comments and have concluded the following:

The RAs have decided that the current arrangements in the SEM are compliant with requirements pertaining to aggregation in Articles 6 and 7 of the Regulation. Specifically concluding that aggregation is already occurring in the SEM and that those performing aggregation activities currently have non-discriminatory access to participate in the wholesale market. As a result, the RAs are currently not proposing any changes to the current SEM arrangements for any matters concerning aggregation at a wholesale level.

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1. INTRODUCTION

1.1 BACKGROUND

In 2018 and 2019 the EU adopted a series of legislative acts known as the Clean Energy for All Europeans package (CEP) which consists of eight legislative files, one of which is a recast Electricity Regulation (hereafter, the 'Regulation'). The Regulation amends aspects of European wholesale electricity markets, progresses electricity market integration, and facilitates the transition to renewable energy. Having entered into force in July 2019, many of the articles in the Regulation applied from January 2020.

The RAs conducted a high-level review of the Regulation to identify areas for which further work may be needed to ensure compliance with the requirements. One area identified included the topics of balance responsibility and aggregation. This was highlighted to stakeholders in a Roadmap Information Paper¹ published by the SEM Committee in December 2019.

While reviewing the topic of balance responsibility and aggregation in the beginning of 2020, it was decided to split the two topics as a more in-depth review considered the SEM compliant with the topic of balance responsibility, but further work was needed with regards to aggregation in the SEM.

To address this subject the RAs published a Consultation Paper on Aggregation in the SEM at the end of June 2020². This Consultation considered the extent to which the current market arrangements may or may not align with the vision of aggregation in the CEP, which defines aggregation in the following ways;

- *'Aggregation' means a function performed by a natural or legal person who combines multiple customer loads or generated electricity for sale, and*
- *'Independent Aggregator' means a market participant engaged in aggregation who is not affiliated to the customer's supplier³.*

Furthermore, the Regulation outlines specific rights for these Aggregators in Article 6 on balancing markets and Article 7 on day ahead and intra-day markets. The Consultation Paper also addressed the implication of these definitions of aggregation and Independent Aggregator in the SEM and their rights under these articles.

¹ [SEM-19-073](#) Roadmap to Clean Energy Package Implementation

² [SEM-20-042](#) Consultation on Aggregation in the SEM

³ [Article 2\(18\)](#) and 2(19) Definitions of Electricity Directive (EU) 2019/944

As means to initiate the conversation on the topic of aggregation with market participants with regards to the CEP, the RAs suggested that there were two broad forms of 'aggregation' which were already existing in the SEM. The first broad form of 'aggregation' was proposed to be undertaken by Intermediaries, while the second was proposed to be conducted by Demand Side Response Units (DSUs) and Aggregated Generator Units (AGUs).

The Consultation Paper explained the RAs views on highlighting Intermediaries, DSUs and AGUs as potential aggregators and additionally explored topics such as market accessibility and regulatory oversight of aggregators. Furthermore, it also presented the RAs initial considerations on aggregation at a retail and demand response level as required under the Electricity Directive (EU) 2019/944, which may need to be progressed at a jurisdictional level following the Decisions made at a wholesale level.

The Consultation closed in early August with nine responses, eight of which were non-confidential. The responses provided useful insight and suggestions on the topics raised in the Consultation which not only impacts this Decision, but also further potential work areas which could impact further development for efficient aggregation in the SEM.

1.2 PURPOSE OF THIS DECISION PAPER

This Decision Paper is being published to discuss the responses received by market participants on the Consultation and additionally provide a summary of the RAs views on both the high-level questions raised and the more in-depth questions posed during the Consultation process. The paper will be structured as follows:

- *Section 2* lists the participants who provided non-confidential responses to the Aggregation Consultation, SEM-20-042.
- *Section 3* reiterates the Consultation questions and addresses the responses received from participants.
- *Section 4* summarises the RAs' Decision on aggregation under the current market arrangements and on each of the four original, overarching questions stated in the Consultation.
- *Section 5* concludes the paper and highlights suggested next steps to improve aggregation participation in the SEM.

2. RESPONSES TO THE CONSULTATION

The RAs received nine responses to the Aggregation Consultation, with eight being marked as non-confidential. Non-confidential responses received were from the following participants:

- Bord Gáis Energy (BGE)
- Powerhouse Generation (PHG)
- Demand Response Aggregators of Ireland (DRAI)
- SSE
- ESB Generation & Trading
- Erova
- Energia
- Irish Wind Energy Association & Northern Ireland Renewables Industry Group (IWEA & NIRIG)

3. CONSULTATION QUESTIONS AND FEEDBACK

The Consultation was divided into several sections, each of which discussed different topics on the participation of aggregation in the SEM in a fair and non-discriminatory manner. The paper raised the following four overarching questions, each of which contained sub-questions relating to that topic.

- (i) Do the current market functions of Intermediaries and DSUs fulfil the requirements of an Aggregator as defined in the CEP?
- (ii) Do these market participants have fair and non-discriminatory access to the SEM?
- (iii) Is there enough regulatory oversight on existing market participants acting as Aggregators to ensure fair treatment of small units availing of their services?
- (iv) Do the current market arrangements allow for future development of a framework on Aggregation as required under Article 17 of the Electricity Directive?

In total, the Consultation asked ten questions for respondent feedback relating to definitions, non-discriminatory access, regulatory oversight and future market considerations. The specific questions and participant responses are discussed in the following sections.

3.2 DEFINING THE AGGREGATOR

During the Consultation, the RAs proposed that having a more explicit definition of who could be considered an Aggregator would be useful when determining the types of services which are expected to be provided by these market participants.

The RAs suggested that the definition of what an aggregator is, could be extracted from existing market participant roles in the SEM, or it could be a completely new definition which would need to be introduced into the relevant market codes. Where it was proposed to extract the definition from the existing market participants, the RAs highlighted the potential for considering Intermediaries or DSUs and AGUs as potential aggregators.

The following sections present the questions which were raised in the Consultation with regards to this topic and then discusses the responses to the Consultation and summarises the RAs' views on the feedback received.

3.2.1 Intermediary Arrangements as Aggregators

Consultation Question 1:
Do the existing Intermediary arrangements in the SEM meet the criteria for Aggregators outlined in the CEP?

Participant Responses

No responses agreed that the market functions of Intermediaries meet the criteria to be defined an aggregator as envisaged by the CEP. Several of the respondents specifically highlighted that the purpose of an Intermediary is to be a middleman between a single generator and the SEM and should not be responsible for pooling consumer loads.

The function of an Intermediary in the SEM is specifically defined, and participants did not see scope for the evolution of these types of market participants to be defined as aggregators. Some respondents also pointed out that the use of Intermediaries in integral for small scale generators and repurposing these entities would not be beneficial to the SEM.

RA Summary

The RAs accept the views of those that responded to the SEM-20-042 and, at this time, are not considering the idea that intermediary arrangements fit the criteria to be an aggregator as outlined in the CEP. While the RAs considered there may be some interactions that should be considered between the process for registering intermediaries in the SEM Trading and Settlement Code (TSC), and aggregation, the RAs, taking on board the feedback from market participants, recognise that the interaction is not relevant to aggregation in the context of CEP compliance.

3.2.2 DSUs as aggregators

Consultation Question 2:
Do the existing DSU arrangements in the SEM meet the criteria for Aggregators outlined in the CEP?

Participant Responses

Mixed responses were received regarding the consideration that DSUs could be defined as aggregators as defined in the CEP. Responses received from the DRAI and Powerhouse Generation were in favour of considering DSUs to be considered as aggregators, stating that DSUs have already been providing ‘aggregation’ services to industrial and commercial customers, but then emphasised the need to consider the scale of these services when introducing aggregation services in the retail market.

Alternatively, IWEA, NIRIG and SSE did not agree that the current activities of DSUs could be considered aggregators under the CEP. SSE argued their point by stating DSUs would not meet the criteria to qualify as an aggregator due to their inability to provide supply-side aggregation.

Furthermore, many participants raised queries in relation to Assetless Supplier Units (ASUs), Aggregator Generator Units (AGUs) and suppliers. They questioned why the RAs did not explicitly consider these market participants as potential aggregators and pointed out that the services offered by these participants could also fulfil the criteria required by the CEP to be an aggregator.

RA Summary

Following the review of the responses, the RAs are of the view that the services provided by DSUs are aggregation services as outlined in the CEP. Although DSUs do not explicitly provide supply aggregation services, this is not a clear requirement in the definition of aggregation outlined in the Electricity Directive.

The Electricity Directive defines aggregation as a function of combining consumer loads for sale, purchase, or auction in any electricity market. It does not explicitly require that the aggregation services must be able to offer both demand and supply side aggregation services.

DSUs in the SEM already have the functionality to pool consumer loads for participation in auctions, such as the Capacity Market Auctions. As a result, the RAs continue to hold the position that DSUs can be considered aggregators.

With regards to ASUs, AGUs, and suppliers, the RAs have given further consideration to these market participants, and have come to the view that these entities could also be defined as aggregators as their activities entail combining consumer loads or generated electricity for participation in the SEM.

3.2.3 Definition of the Aggregator

Consultation Question 3:

Should a formal definition of an Aggregator be developed which may or may not encapsulate these existing market participants for the purpose of developing an entity to fulfil aggregation functions which meets the criteria of an Independent Aggregator as defined in the CEP?

Participant Responses

Similar to the previous question, responses were mixed on whether there should be a formal definition of an aggregator to be applied to the SEM.

Respondents such as DRAI, Powerhouse Generation and BGE did not see any benefit to introducing a definition of an aggregator, and were content that the definitions for DSUs and AGUs were sufficient for the SEM. DRAI also pointed out that there is already a definition for an aggregator contained in the Grid Code.

In contrast to these views, however, SSE believed that a separate definition should be developed. This would enable aggregators to have to be registered to participate in the market and then be subject to the same rights and oversight as other market participants.

RA Summary

The existing definitions of DSUs, AGUs, ASUs and suppliers enable participants to engage in aggregation activities which are envisaged by the CEP without an 'Aggregator' role being explicitly defined in the SEM. The RAs have concluded that introducing an explicit definition for an 'Aggregator' market participant at this time, may cause unnecessary confusion, be of limited benefit and may prompt the need for further market changes. As a result, the RAs are of the view that there does not need to be a new definition for Aggregators in the SEM.

3.3 FACILITATION OF MARKET PARTICIPATION

One of the primary reasons for the Consultation was to discuss the topic of access to market for aggregators and to ensure that the requirements of Articles 6 and 7 of the Regulation were met in the current arrangements of the SEM.

The following questions were raised for feedback with regards to the facilitation of market participation for potential aggregators.

3.3.1 Intermediary Access

Consultation Question 4:

Do Intermediaries have non-discriminatory access to participate in the SEM?

Participant Responses

Due to the respondents' considerations that Intermediaries should not be considered as aggregators, many of the respondents did not address this question. Those that did, however, did not see any discrimination with respect to Intermediaries' participation in the SEM.

RA Summary

As a result of the determination that Intermediaries will not be considered as aggregators for the SEM, this question is not necessarily relevant for the progression of an aggregation framework for the SEM. Therefore, the RAs will not seek to make any changes to the Intermediary Framework beyond what was decided in the SEM Decision on Intermediary Arrangements⁴.

3.3.2 DSU Access

Consultation Question 5:

Do DSUs have non-discriminatory access to participate in the SEM?

Participant Responses

Respondent feedback with respect to DSUs suggested that there may need to be updates to the DSU framework to facilitate better access for DSU participation in the SEM. The most mentioned barrier was the limit placed on AGUs and DSUs which requires these participants to only aggregate units which have a maximum export capacity (MEC) of less than 10MW.

The responses received from PHG, DRAI, BGE and Erova all implied that this limit could be an inhibitor to DSUs and AGU development. They argue that being able to aggregate generation and demand side response above this level would enable aggregators, albeit DSUs or AGUs, to increase their performance in the SEM as they would be better able to offset performance issues between sites within their aggregated loads.

Other issues were also raised by PHG and DRAI, included the long timelines around TSO Grid Code testing processes, which can delay progress in meeting timelines in the capacity market in particular, and also the fact that DSUs do not receive any form of energy payments.

RA Summary

Responses to this question highlighted that there could be room for development to improve the current DSU and AGU frameworks. However, the RAs also note that there were no explicit obstacles mentioned in the responses to this question that result in a lack of SEM access by DSUs and AGUs. Due to this consideration, the RAs have concluded that there is non-discriminatory access for aggregation to occur in the SEM by DSUs and AGUs and the current market arrangements are compliant with this requirement in the Regulation.

⁴ [SEM-20-063](#) Decision on Intermediary Arrangements in the SEM

The RAs do acknowledge, however, that there are areas which could be improved upon to allow more efficient participation by DSUs and AGUs which may be considered in potential future workstreams.

3.3.3 Updated Market Arrangements

Consultation Question 6:

Are there updates which could be made to the existing market structure which would facilitate participation by Aggregators in a non-discriminatory manner?

Participant Responses

Respondents had several suggestions with regards to areas for improvement to incorporate more efficient forms of aggregation in the SEM through potential adjustments to the existing market arrangements.

SSE highlighted the fact that the current trading-based framework is designed to enable unit-based trading, however, this may not be suitable for trading of aggregated loads and that the market may have to be adjusted in some form to allow for portfolio-trading arrangements. IWEA and NIRIG also shared this view.

BGE reiterated their earlier comment that the existing 10MW limit on MEC should be removed in the case of aggregating demand response. They additionally noted that the removal of the limit could then allow the optimal utilisation of batteries by DSUs.

ESB GT suggested that rules around combining units would need to be clarified further. They provided the example of the Capacity Market Code (E.7.6) which outlined requirements for combining candidate units for the Capacity Market as a potential starting point for updating the market arrangements for aggregators.

Erova echoed BGEs' suggestion that the limit of 10MW MEC should be removed, but also highlighted the current challenge export-only suppliers face of obtaining data, specifically highlighting that it must be requested and can only be obtained on a monthly basis.

DRAI and PHG asked several questions to the RAs for consideration while progressing to implement an aggregation framework. The questions raised are paraphrased below,

- Is there flexibility in the registrations so aggregators can reflect the value they give to the system across energy, capacity and DS3?

- Will participation in the T-4 capacity auction be required even with the lack of certainty around aggregation customer contracts and switching rights outlined in Article 12⁵ of the Electricity Directive?
- Are individual aggregated entities supplying DS3 System Services being insufficiently valued, due to the expectation that all value should be delivered equivalent to a single-unit-single meter site?

Additionally, they noted that there are also pragmatic issues with the appropriateness of the Grid Code required declaration methodologies and testing regimes for aggregated entities.

RA Summary

While there were numerous suggestions for consideration to improve the efficiency and functioning of aggregation in the SEM, the review of the responses did not highlight any specific obstacles which the RAs considered to be a barrier to aggregation activities as envisaged by the CEP from occurring in the SEM and additionally did not outline any areas of discrimination for market access for entities participating in aggregation activities.

The RAs understand that there is scope for improvement to better enable aggregation to take place and it is anticipated that further work may be done in this area and that the topics raised could inform the workstreams which will be progressed. Further considerations may be provided to challenges faced by export-only suppliers in obtaining data, the value given to aggregators which reflects services offered, and participation in capacity auctions.

3.4 REGULATORY OVERSIGHT

The RAs posed the question in the Consultation whether there was enough oversight of aggregators and of their potential interactions with very small-scale generation. The Electricity Directive outlines that individual customers and energy communities shall be able to participate in aggregation⁶. It is anticipated that there will be a higher level of participation by these small-scale projects following the transposition of the Electricity Directive and Directive (EU) 2018/2001 on the promotion of use of energy from renewable sources (the Renewables Directive).

⁵ [Article 12](#) Right to switch and rules on switching-related fees

⁶ [Article 15](#) Active customers and Article 16 Citizen Energy Communities of Directive (EU) 2019/944

3.4.1 Regulatory Oversight

Consultation Question 7:

What form of regulatory oversight of Aggregators is most likely to ensure the protection of small-scale market participants involved in aggregation? (e.g. Contractual Arrangements, Aggregator Licences, updated Forms of Authority, etc.)

Participant Responses

Where regulatory oversight arrangements were suggested by respondents, they highlighted the fact that whatever oversight regime is adopted, that it should be proportional and fair to the activities being conducted by aggregators, but should be strong enough to ensure that aggregators are subject to an equal amount of regulatory requirements as other market participants.

Responses highlighted that there could be a regulatory oversight mechanism installed where a definition of 'Aggregator' was introduced into the SEM which could take the form of a licence or contractual arrangements, however some participants pointed out that DSUs, AGUs, ASUs and suppliers already have to obtain licences for participation and this should be taken into consideration if further mechanisms were to be introduced.

RA Summary

As mentioned previously, the RAs are not considering introducing a new definition of 'Aggregator' into the SEM, and that the existing market participants registered as DSUs, AGUs, ASUs and suppliers which participate in aggregation activities can be considered aggregators in the SEM. Due to the requirement for these market participants to hold some form of a supplier licence, and potentially a generation licence for participation in the SEM, the RAs have concluded that there is sufficient regulatory oversight applied to these market participants to ensure their fair participation in the electricity markets.

3.5 FUTURE DEVELOPMENT ON AGGREGATION

Further requirements under the Electricity Directive⁷ necessitate the development of a framework to outline the rights and requirements to be applied to aggregation. These requirements primarily focus on forms of demand side aggregation; however, all forms of aggregation should be considered when developing a framework.

⁷ [Article 17](#) Aggregation through demand response of Directive (EU) 2019/944

The Consultation on Aggregation sought industry feedback on whether the existing market arrangements were suitable to progress with the implementation of Article 17 of the Electricity Directive. The following questions in relation to Intermediary and DSU frameworks were provided for response by interested participants.

3.5.1 Intermediaries Framework

Consultation Question 8:

Do you feel that the current framework for Intermediaries could be applied in future aggregation frameworks and is compliant with Article 17 of the Electricity Directive?

Participant Responses

As was made clear by earlier respondent comments, it is not envisaged by industry participants that Intermediaries will be able to fulfil the function of an aggregator in the SEM. As such, there were not any responses to this question which related to the Intermediary framework needing to comply with Article 17 of the Electricity Directive.

RA Summary

As stated, Intermediary arrangements are not anticipated to have an impact on the implementation of Article 17 of the Electricity Directive and will not be discussed further in this paper.

3.5.2 DSU Framework

Consultation Question 9:

Are there changes that could be made to the existing DSU framework that facilitates future frameworks for aggregation for demand-side response?

Participant Responses

Many of the responses to this question echoed the suggestions proposed to Question Six, such that the removal of the 10MW MEC was again suggested by BGE and the proposal to introduce net trading arrangement in the SEM was discussed by SSE.

In addition to these points, DRAI and PHG mentioned that there is a considerable amount of demand side response already being aggregated by DSUs and suppliers. They considered that the existence of this capacity proves that the existing framework should be sufficient for the purposes of ensuring aggregators rights are delivered and their responsibilities are met.

RA Summary

As mentioned in Section 3.3.3, the intent of this Decision Paper is to ensure that aggregation can occur in the SEM with non-discriminatory access provided to those who wish to participate in these activities. The RAs have concluded that aggregation is occurring and there are no explicit barriers to market participation. It is anticipated that further work may be done while progressing the implementation of the Electricity Directive, and as such, the feedback to this question may be useful while progressing the work in that area.

3.5.3 Other Considerations

Consultation Question 10:

What other considerations should the RAs focus on prior to the implementation of Article 17 of the Directive?

Participant Responses

There were numerous suggestions provided as an answer to this question, which will give the RAs more to consider while progressing implementation of Aggregator concepts under the CEP. Several of the respondent's proposals reiterated earlier comments, such as reference to the aggregation of generation with more than 10MW MEC and the suggestions on introducing net-trading as opposed to unit-based trading.

Other comments were more high-level considerations. For example, BGE highlighted the need to ensure that market transparency is maintained and updated to enable the flow of volumes from individual units to be traceable across the ex-ante markets and balancing market. They also suggested that a set of basic principles be established for the regulation of aggregation to final customers.

Several market respondents also emphasised the need to ensure that aggregators are held to the same standards of balance responsibility as other market participants, and there needs to be mechanisms in place to ensure that aggregators can be responsible for the imbalances they cause to the system, as required by Article 5 of the Regulation.

Some additional responses included consideration of the types of payments DSUs should be receiving, whether it be related to energy, constraints or to the types of ancillary services which are being offered, and finally it was suggested that another scoping exercise of the Regulation and Directive be conducted to ensure that all the requirements were being addressed as this work progresses.

RA Summary

The RAs were glad to see a high-level of engagement on this question, as it will help guide future work being done to implement further aspects of aggregation into the SEM. As previously noted, this paper focuses on definitions and non-discriminatory access for aggregators to the SEM. As a result, many of the comments received to this question may influence future work.

4. DECISION

The Consultation Paper raised four high-level questions which the RAs sought to conclude answers for to determine compliance with the Regulation, and additionally to consider further topics to address while continuing further work on aggregation. The four questions are provided in the table below, alongside the RAs conclusions.

Question	Conclusion
Do existing entities participating in the SEM fulfil the requirements of an Aggregator as defined in the CEP?	There are existing market participants that fulfil aggregation activities as envisaged by the CEP. These activities are undertaken by demand side units (DSUs), Aggregator Generator Units (AGUs), Assetless Supplier Units (ASUs) and Suppliers. Intermediaries still fulfil an important function in the SEM however, they should not be considered as Aggregators.
Do these market-participants have non-discriminatory access to the SEM?	As there are existing routes to market for DSUs, AGUs, ASUs and suppliers, the RAs consider that there is non-discriminatory access for participation for aggregation in the SEM, and as a result, the SEM is compliant with the requirements in Article 6 and 7 of the Regulation.
Is there enough regulatory oversight on existing market participants who participation in aggregation activities?	Due to obligations to obtain some form of licence for market participation, the RAs consider that there is currently enough regulatory oversight to allow participation in aggregation activities by these existing market entities.
Do the current market arrangements allow for future development of a framework on Aggregation as required under Article 17 of the Electricity Directive?	There were many comments received from the Consultation with suggestions on how to either improve existing frameworks for DSUs, AGUs and ASUs, or evolve the market to better adapt the SEM to incorporate more efficient forms of aggregation. The RAs are cognizant that there could be scope for improvement in the area of aggregation, however, for the current review on the scope of compliance with the CEP, the RAs have concluded that the current arrangements comply with the requirements set out in the Regulation.

To summarise the main points from the previous section, and the table above the Decision from the RAs on the topic of aggregation in the SEM is the following:

The RAs have decided that the current arrangements in the SEM are compliant with requirements pertaining to aggregation in Articles 6 and 7 of the Regulation. Specifically concluding that aggregation is already occurring in the SEM and that those performing aggregation activities currently have non-discriminatory access to participate in the wholesale market.

As a result, the RAs are currently not proposing any changes to the current SEM arrangements for any matters concerning aggregation at a wholesale level.

5. CONCLUSION

The RAs' will be continuing to implement all aspects of the Clean Energy Package's Regulation in addition to pursuing implementation of the requirements pertaining to aggregation.

As noted throughout this paper, the RAs are aware that further work may be needed to address some of the topics raised by the Consultation participants on market adjustments to facilitate more efficient forms of aggregation in the future. This work is anticipated to be progressed by the RAs over time, however, market participants are reminded of the provisions in the various market codes providing for Modifications to be raised and discussed at industry level.

For the purposes of this paper, the RAs Decision not to make any changes to the current arrangements in the SEM reflects their view that the existing structure enables market participants to engage in aggregation activities as envisaged by the CEP in a non-discriminatory manner, which is compliant with the requirements set out in Articles 6 and 7 of the Regulation.

The RAs are not raising any further questions on the topic of aggregation in the SEM at this time, however, if any market participants that wish to make any comments with regards to the Decision provided in this paper can contact Heather Pandich (hpandich@cru.ie) or Ian McClelland (Ian.McClelland@uregni.gov.uk).