

All interested parties,  
Stakeholders in Northern Ireland and beyond,  
and other regulatory bodies

Ref: WM031-11-427

Date 25 September 2017

Dear All

### **Approval of the SEM-GB Cross-Border Clearing and Settlement Arrangements**

In accordance with Article 77 of EU Commission Regulation 2015/1222, establishing a guideline for Capacity Allocation and Congestion Management (CACM), the National Regulatory Authorities are responsible for approving cross-border clearing and settlement arrangements.

On 18<sup>th</sup> July 2017, SEMOpx submitted a proposal for the SEM-GB Cross-Border Clearing and Settlement Arrangements. The submission proposes that the task of Central Counter Party (CPP) be delegated to European Commodity Clearing (ECC) and recommends that the Intra Central Counter Party shipping model be implemented on the SEM-GB border. Costs incurred from clearing and settlement are to be levied as fees on Interconnector Owners.

This letter sets out the UR decision to approve SEMOpx proposed arrangements pursuant to Article 9(6) of CACM.

An equivalent letter approving the same SEM-GB Cross-Border Clearing and Settlement Arrangements has been published by the Commission for Energy Regulation (CER).

## Next Steps

In accordance with this decision, the SEM-GB Cross-Border Clearing and Settlement Arrangements will take effect following approval of the relevant Regulatory Authorities. As such SEMOpx must publish the proposal on their website in line with Article 9 (14). The proposal must be implemented on the date when market coupling on the bidding zone border between Great Britain and the Single Electricity Market in Ireland and Northern Ireland will be in place.

If you have any queries regarding the information contained within this letter please contact [JeanPierre.Miura@uregni.gov.uk](mailto:JeanPierre.Miura@uregni.gov.uk)

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jo Aston', with a stylized flourish at the end.

Jo Aston  
Director of Wholesale Energy Regulation

cc: Jean Pierre Miura