

Wholesale Markets Directorate

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

Ref: WM-018-11-496

Date: 1 February 2018

To whom it may concern

Approval of the amended all NEMOs' proposal for the back-up methodology

In accordance with Article 36(3) of the EU Commission Regulation 2015/1222, establishing a guideline on Capacity Allocation and Congestion Management¹, the Utility Regulator (UR) received on 13 November 2017, the amended all NEMOs' proposal for the back-up methodology for single day-ahead coupling (SDAC) and for the single intraday coupling (SIDC) (referred to as the "Back-Up Methodology").

The amended Back-Up Methodology proposal was submitted by SONI, the designated NEMO in Northern Ireland².

This letter sets out the UR's decision to approve the amended Back-Up Methodology pursuant to 9(12) of CACM and outlines the necessary next steps that must be taken.

Background

SONI first submitted the Back-Up Methodology on 14 February 2017. The UR reviewed the proposal in line with the requirements of CACM, the wider objectives of the Regulation (EC) No 714/2009 and the statutory duties and obligations.

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

² https://www.uregni.gov.uk/publications/decision-paper-nemo-designation-northern-ireland

Following consultation with all Regulatory Authorities, the NEMO was requested to amend the proposal and re-submit it pursuant to Article 9(12) of CACM. The requested amendments were set out in the respective all Regulatory Authorities agreement with the NEMO being required to re-submit the amended methodology for approval within two months following the requirement from the Regulatory Authority.

The amended proposal, dated 13 November 2017, was resubmitted to the Regulatory Authorities with the last Authority confirming receipt on 1 December 2017. CACM requires all Regulatory Authorities to consult and closely coordinate with each other in order to reach agreement and make a decision within two months following receipt of submission of the last Regulatory Authority concerned. A decision on this amended proposal is therefore required by each Regulatory Authority by 1 February 2018.

Decision

The UR has reviewed the amended Back-Up Methodology proposal submitted in line with the requirements of CACM, the wider objectives of Regulation (EC) No 714/2009 and the UR's statutory duties and obligations. As required by Article 9 of CACM, the UR closely cooperated and coordinated with other Regulatory Authorities in order to reach agreement on the amended proposal.

The all Regulatory Authorities' agreement reached at the Energy Regulators' Forum on 23 January 2018 is attached as an annex to this decision letter and constitutes the reasons for the UR's decision to approve the amended methodology in line with the agreement.

The UR is satisfied that the amended Back-Up Methodology addresses the amendment requests detailed in the respective all Regulatory Authority agreement.

Next Steps

In accordance with the above decision, SONI must publish the approved methodology on the internet in line with Article 9(14) of the CACM Regulation and must meet the implementation deadlines set out in the methodology.

If you have any queries regarding the information contained within this letter please contact JeanPierre.Miura@uregni.gov.uk.

Yours sincerely

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cc: Jean Pierre Miura