

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

Ref: WM-018-11-497

Date: 1 February 2018

To whom it may concern

Request the Agency for the Cooperation of Energy Regulators to adopt a decision on the price coupling algorithm and the continuous trading matching algorithm proposal.

In accordance with Article 37(5) of the EU Commission Regulation 2015/1222, establishing a guideline on Capacity Allocation and Congestion Management, the Utility Regulator (UR) received on 13 November 2017, the amended proposal for the price coupling algorithm and the continuous trading matching algorithm proposal, also incorporating TSO and NEMO proposals for a common set of requirements, (referred to as the “Algorithm Proposal”).

The amended Algorithm Proposal was submitted by SONI, the designated NEMO in Northern Ireland¹.

This letter sets out the UR’s request for the Agency for the Cooperation of Energy Regulators (Agency) to adopt a decision on the amended Algorithm Proposal.

Background

SONI first submitted the ID Products Proposal 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 <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

Having reviewed the amended Algorithm Proposal, Regulatory Authorities concluded that they were not in a position to approve the proposal. For that reason, on 26 January 2018, Regulatory Authorities agreed to request the Agency to adopt a decision on the Algorithm Proposal, pursuant to Article 9(12) of CACM.

Next Steps

In accordance with Article 9(12) of the CACM Regulation, all Regulatory Authorities request that the Agency adopts a decision concerning the Algorithm Proposal within six months of this decision.

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jo Aston', written in a cursive style.

Jo Aston
Director of Wholesale Energy Regulation

cc: Jean Pierre Miura