



Single Electricity Market Committee

9 November 2012

SEM-12-105

Proposed Next Steps Decision - Implementation of the European Target Model for the Single Electricity Market

On 24th January 2012, the SEM Committee published a Consultation Paper on Implementing the European Electricity Target Model in SEM. The consultation closed on 20th April and 22 interested parties responded. These responses have been published.

Since the end of April, the SEM regulatory authorities' project team has been:

- considering the responses received and the issues raised by respondents;
- discussing next steps with the Department of Communications, Energy and Natural Resources (DCENR) in Ireland and the Department for Enterprise, Trade and Investment (DETI) in Northern Ireland in the light of the responses to the Consultation paper;
- investigating further the topics outlined in the Consultation Paper, particularly central vs. self-dispatch; and,
- keeping abreast of and contributing as appropriate to developments in Europe, through ACER and in Great Britain, through Ofgem.

Following consideration of all the above, the SEM Committee now publishes a Proposed Decision Paper on the Next Steps in Implementation of the European Target Model for the Single Electricity Market. The purpose of the paper is to:

- to set out the SEM Committee's view on the issues raised by respondents to the consultation;
- to discuss developments in the SEM Committee's thinking and its decisions on a number of issues; and,
- and to issue a recommendation to the Departments on next steps in the process.

In conjunction with the Proposed Decision, the SEM Committee also publishes a report by the TSOs on the Dispatch Model for the All Island System and a report on the TSOs report compiled by the SEM RAs independent expert consultant.

We invite comments from interested Stakeholders on the Proposed Decision and dispatch reports, in particular on the SEM Committee's recommendation to government on High Level Principles for redesign of the SEM to implement the Target Model.

All responses will be published. If any respondent wishes all or part of their submission to remain confidential, then this should be clearly stated in their response.

To facilitate greater opportunity for stakeholder feedback on these important issues SEM RAs shall host an information session on the project on the afternoon of 27 November 2012 in Belfast (location to be confirmed). Those wishing to attend should notify Mignonne Smith (Mignonne.Smith@uregni.gov.uk) in advance by email.

Following consideration of responses received on this Proposed Decision Paper and further discussion with both government departments, the SEM Committee shall issue its Decision and high level project timeline early in 2013.

Comments on this paper should be sent to Philip Newsome and Jody O'Boyle, preferably electronically, to arrive no later than **noon on 5 December 2012.**

Philip Newsome
Commission for Energy Regulation
The Exchange
Belgard Square North
Tallaght Dublin 24,
pnewsome@cer.ie

Jody O'Boyle
Utility Regulator
Queens House
10-18 Queen Street
Belfast BT1 6ED

Jody.O'Boyle@uregni.gov.uk