

STATUTORY INSTRUMENTS.

S.I. No. 3 of 2017

ELECTRICITY REGULATION ACT 1999 (SINGLE ELECTRICITY MARKET) REGULATIONS 2017

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The Commission for Energy Regulation, in exercise of the powers conferred on it by section 9BA(2) of the Electricity Regulation Act 1999 (No. 23 of 1999) (inserted by section 7 of the Electricity Regulation (Amendment) (Single Electricity Market) Act 2007 (No.5 of 2007)), and following consultation with the Northern Ireland Authority for Utility Regulation hereby makes the following regulations:

Citation, commencement and construction

1. (1) These Regulations may be cited as the Electricity Regulation Act 1999 (Single Electricity Market) Regulations 2017.

(2) These Regulations and the Principle Regulations, shall be construed together as one and may be cited together as the Electricity Regulation Act 1999 (Single Electricity Market) Regulations 2007 to 2017.

(3) These Regulations shall come into operation with immediate effect except Regulations 4 and 5 which shall come into effect on such day and date as the Commission may determine by order published by it for that purpose.

Interpretation

2. (1) In these Regulations, except where the context otherwise requires:

"Balancing Market" has the meaning attributed to it in the Single Electricity Market Trading and Settlement Code;

"Commission" means the Commission for Energy Regulation;

"Authority" means the Northern Ireland Authority for Utility Regulation;

"Act of 1999" means the Electricity Regulation Act 1999; (No. 23 of 1999);

"Act of 2007" means the Electricity Regulation (Amendment) (Single Electricity Market) Act 2007; (No. 5 of 2007);

"Act of 2016" means the Energy Act 2016 (No. 12 of 2016);

"Electricity Market Regulation" means Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity;

"Electricity Market Regulation revisions" means such revisions or amendments to the Single Electricity Market as are determined by the Commission in writing

Notice of the making of this Statutory Instrument was published in "Iris Oifigiúil" of 17th January, 2017. to be necessary for the purpose of ensuring that the European Union rules for cross-border trade in electricity contained within or adopted pursuant to the Electricity Market Regulation, and as supplemented by:

- (a) network codes established under Article 6 of the Electricity Market Regulation; and
- (b) guidelines adopted under Article 18 of the Electricity Market Regulation,

are applied efficiently to the Single Electricity Market;

"Principal Regulations" means the Electricity Regulation Act 1999 (Single Electricity Market) Regulations 2007 (S.I. No. 406 of 2007);

"revised arrangements in the State and Northern Ireland" has the meaning given to that expression by section 7(1) of the Act of 2016;

"Revised Single Electricity Market" means the competitive wholesale electricity market comprised in the revised arrangements in the State and Northern Ireland;

"Single Electricity Market" shall have the same meaning as in section 2 of the Act of 1999 (as inserted by section 3 of the Act of 2007) immediately before the coming into operation of section 8 of the Act of 2016;

(2) Notwithstanding section 19 of the Interpretation Act 2005, in these Regulations:

- (*a*) a reference to an enactment or Regulations shall be construed as a reference to the enactment or Regulations as amended or extended by or under any subsequent enactment or Regulations;
- (b) a reference to a Regulation of the European Parliament and Council shall be construed as a reference to the Regulation as amended or extended by any subsequent Regulation.

Transitional Arrangements

3. Subject to Regulation 5 of the Principal Regulations, each holder of a licence issued pursuant to section 14(1) of the Act of 1999 shall:

- (*a*) do all that is reasonably practicable and necessary, as determined by the licence holder, to prepare for the introduction of the Electricity Market Regulation revisions and the commencement of trading in the Revised Single Electricity Market, including the putting into place of all reasonably practicable and necessary managerial, commercial, technical, financial and legal arrangements; and
- (b) execute such transitional agreements or make such transitional arrangements, or both, as may be determined by the Commission in writing to be necessary due to the introduction of the Electricity

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Market Regulation revisions and the anticipated commencement of trading in the Revised Single Electricity Market.

The Single Electricity Market Trading and Settlement Code

4. (1) The Commission shall, in accordance with its functions and following consultation with the Authority as set out in section 9BA(1) of the Act of 1999, by determination in writing set out the amendments to the Single Electricity Market Trading and Settlement Code it considers necessary for the purpose of effecting the Electricity Market Regulation revisions and any purpose ancillary thereto, and the Single Electricity Market Trading and Settlement Code shall stand amended in accordance with such determination and shall come into effect on a date and time specified in such determination.

(2) The Single Electricity Market Trading and Settlement Code, as amended pursuant to Regulation 4(1), shall include provisions, rules and procedures, as appropriate, providing for or relating to, *inter alia*, the matters specified in the Schedule to these Regulations.

Determination of the Start Date of the Revised Single Electricity Market

5. The date on which the Electricity Market Regulation revisions shall take effect, and trading shall commence under the Single Electricity Market Trading and Settlement Code as amended pursuant to Regulation 4(1), shall be determined by the Commission in writing following consultation with the Authority.

SCHEDULE

The Single Electricity Market Trading and Settlement Code, as amended pursuant to Regulation 4(1), shall include provisions, rules and procedures, as appropriate, providing for or relating to:

- (1) terms of the trading and settlement arrangements for the sale and purchase (on a wholesale basis) of electricity in the Balancing Market;
- (2) settlement arrangements with respect to the capacity remuneration mechanism;
- (3) without prejudice to these Regulations, a mechanism to amend its own terms through a modifications process;
- (4) the publication of information, as may be determined by the Commission, and subject to preservation of the confidentiality of such commercially sensitive information as is considered appropriate by the Commission, relating to transactions in the Revised Single Electricity Market; and
- (5) a mechanism to effect the resolution of disputes between parties to the code, as amended, by a dispute resolution board established pursuant to that code.

L.S.

GIVEN under the common seal of the Commission for Energy Regulation, 11 January 2017.

GARRETT BLANEY, Chairperson of the Commission. (This note is not part of the Instrument and does not purport to be a legal interpretation.)

These regulations provide for and facilitate the revised operation of the Single Electricity Market, including the putting in place of revised trading arrangements and other related matters considered necessary to apply to the Single Electricity Market the requirements of Regulation (EC) 714/2009 of the European Parliament and of the Council of 13 July 2009, in relation to cross-border trade in electricity.

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