



Governance Arrangements
for
Retail Markets Co-ordination

Version 1.0

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1 Introduction

The electricity retail markets in Northern Ireland (NI) and the Republic of Ireland (RoI) are separately governed under jurisdictional-specific statute and regulatory regimes.

1.1 Legal basis

The Commission for Energy Regulation ('the CER') is the independent body responsible for overseeing the regulation of Ireland's electricity and gas sectors. The CER was initially established and granted regulatory powers over the electricity market under the Electricity Regulation Act 1999. The enactment of the Gas (Interim) (Regulation) Act 2002 expanded the CER's jurisdiction to include regulation of the natural gas market, while the Energy (Miscellaneous Provisions) Act 2006 granted the CER powers to regulate electrical contractors with respect to safety, to regulate natural gas undertakings involved in the transmission, distribution, storage, supply and shipping of gas and to regulate natural gas installers with respect to safety.

The Northern Ireland Authority for Utility Regulation (UR) is responsible for regulating the electricity, gas, water and sewerage industries in Northern Ireland, promoting the short and long-term interests of consumers. It is a non ministerial government department. The UR is not a policy-making department of Government, but makes sure that the energy and water utility industries in Northern Ireland are regulated and developed within ministerial policy as set out in our statutory duties. The UR was first established by the Electricity (Northern Ireland) Order 1992. Following that the power to regulate the gas industry came in the form of the Gas (Northern Ireland) Order 1996 and then water and sewerage in the Water and Sewerage Services (Northern Ireland) Order 2006.

The all island wholesale market, called the Single Electricity Market (SEM) is jointly regulated by the CER and UR, jointly the Regulatory Authorities (RAs).

1.2 Retail Market Competition

The RAs have independent duties and functions pertaining to the promotion and development of effective electricity retail competition in their respective jurisdictions, ultimately to ensure that consumers benefit from the introduction of competition in the energy sector. Working to the common objectives of the 3rd Package, both RAs have undertaken, and continue to undertake, various activities and workstreams to increase the level of effective retail competition in their respective jurisdictions.

Unlike the SEM, the regulation of the retail electricity markets is not a joint regulatory activity, and does not have an explicit legal basis. However, in line with the objectives of the addendum to the SEM Memorandum of Understanding¹, the RAs have applied a co-ordinated approach to the regulation of the retail markets and have worked together to co-ordinate on relevant projects such as k-factor regulation², tariff structures³ and market monitoring⁴ (consumer surveys). The co-ordination of the retail market systems has been the most ambitious of such projects to date.

¹ Regulatory Authorities published a joint Memorandum of Understanding

² [Final Report on a Review of K Factors and Supply Margins](#)

³ [Final Report on Tariff Structures Review](#)

⁴ [Findings from 2009/2010 Research on Residential and Business Attitudes and Experience of the Electricity Market Across the Island of Ireland](#)

1.3 Objectives of Retail Markets Co-ordination

As part of the broad strategic goal to promote electricity retail competition, and following support during discussions with suppliers in senior stakeholder groups, the RAs agreed to undertake a project to scope and deliver alignment, where possible, in the supply market facing processes and procedures in the two jurisdictions. The intention in doing so would be to make it easier / more cost effective for suppliers to operate in both jurisdictions in an optimal manner, to the benefit of consumers.

1.4 Purpose of this Document

The co-ordinated retail market systems went live in both jurisdictions in October 2012. The purpose of this document is to set out enduring governance arrangements that will apply to the regulation of the co-ordinated retail market systems from that time. It is intended to give regulatory certainty to market participants, and indeed all stakeholders, on the governance arrangements and the decision making processes that will apply. It also sets out the limitations of the co-ordinated arrangements vis à vis jurisdictional requirements.

The RAs will endeavour to support the objectives of co-ordination and uphold the integrity of the co-ordinated retail market systems. However, for jurisdictional reasons this may not always be possible as it is essential (and legally binding on both RAs) that retail policy decisions are taken independently of each other and according to the relevant statutory and policy frameworks. As such, the RAs have agreed to the following key assumptions which underpin the context of co-ordination and the associated governance arrangements;

- Co-ordination decisions will not take precedence over a required change in either jurisdictional market.
- Co-ordination, and the schema change control processes within it, cannot frustrate any jurisdictional decision making.
- Decision making regarding any, and all, RA initiated schema changes required in a given jurisdiction to fulfil regulatory or legislative goals will be taken by the RA in that jurisdiction and will not be subject to any influence from the other jurisdiction.
- Retail policy in each market will continue to be pursued independently by both RAs. This could result in the maintenance of existing jurisdictional differences in approach to the retail markets, or indeed lead to different future market rules in each jurisdiction regarding the same issue.

Whilst the above sets out clearly the limitations of “co-ordination”, this does not preclude any further alignment of retail policy between the RAs as they pursue the common goals of the 3rd Package regarding the promotion of competition and protection of consumers.

2 Co-ordination

Co-ordination of the schemas in NI and ROI was initially a project undertaken to make it easier for suppliers to operate in both jurisdictions, as the market messages and supporting business processes would to a large degree be identical except where jurisdictional differences meant that was not possible. The project worked in parallel with the existing retail market governance structures that were in place in each jurisdiction. This section sets out the jurisdictional arrangements and what was achieved in the project.

2.1 Jurisdiction Retail Market Governance

With market opening, both RAs established jurisdictional responsibilities for the retail market design service and the overall retail market governance arrangements. These are:

2.1.1 Industry Governance Group & Retail Market Design Service

The Retail Market Design Service (RMDS)⁵ is the "ringfenced" function within ESB Networks responsible for all aspects of the retail electricity market design on behalf of the CER. The role of the Design Administrator involves the cost effective support for and delivery of quality systems that will help achieve the CER's objectives of encouraging competition in supply markets and quality of service to all customers. This role involves the following duties:

- Support and co-ordination of the change management process for the retail market
- Maintenance, publication and circulation of information relevant to retail market design
- Provision of secretariat services to the Industry Governance Group (IGG) and associated sub-groups
- Supporting the market assurance process
- Interaction of the retail market group with other relevant groups

The IGG is an industry committee, chaired by the CER which is responsible for market governance and the systems and structures for defining policy, providing leadership and establishing and monitoring the long-term direction of the retail market.⁶

2.1.2 Central Design Authority & Central Design Authority Board

The Central Design Authority (CDA) is the function within NIE Networks that has the responsibility for implementing system and market design changes that are required and approved by the UR. The duties of the CDA include but are not limited to:

- Organising and facilitating meetings of the CDA Board
- Establishing and maintaining a systems of records to track and report on all discussion and change requests
- Preparing impact assessments of change requests for the UR
- Preparing implementation plans for approved change requests
- Making changes to the Market Registration Code

⁵ www.rmdservice.com

⁶ Governance Procedures for the Liberalised Retail Electricity Market - CER/05/081

- Working in collaboration with the Retail Market Design Service (RMDS) to provide the services of the Retail Markets Co-ordination Design Service (ReMCoDS)

The CDA Board is made up of CDA, NIE and suppliers and provides a forum for all Participants operating in the retail electricity supply market in Northern Ireland, working in conjunction with the Retail Markets Co-ordination Working Group (ReMCoWG) as appropriate.

2.2 The Co-ordination 'Project'

As discussed, the initial objective of the project was the co-ordination of messages and processes to make it easier for suppliers to operate in the two separate retail markets. The key deliverables of the Co-ordination project have been;

- Identification of all existing market messages and associated supplier facing processes north and south.
- Definition of a set of co-ordinated market messages and associated supplier facing processes.
- Development and implementation of the Co-ordinated Baseline.
- Alignment of technical solutions, specifying a common technology and single application for all market communications.
- Development and deployment of Tibco-based infrastructure, with a common messaging hub, located in NI replacing the EMMA and GEMMA systems in the north and the MPCC infrastructure in the south, as set out in Figure 1.

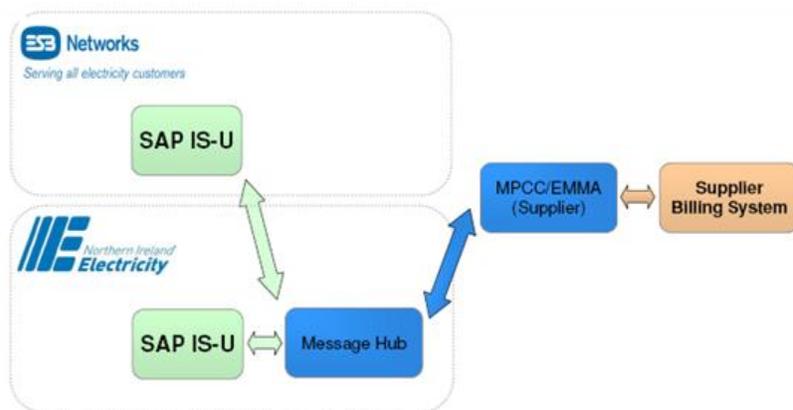


Figure 1. Co-ordinated Messaging Infrastructure

The Co-ordinated Baseline is the starting point for the regulation and operation of the co-ordinated retail electricity markets from Go-Live in October 2012. The Co-ordinated Baseline provides the underlying design for the currently agreed level of co-ordination of the schemas underlying the two retail electricity markets. The Co-ordinated Baseline was agreed in January 2010, and its stability is maintained through the strict application of the Retail Market Design Change Control Process. Details of the administration of the Retail Market Design Change Control Process are set out later in this document (see Section 3).

2.3 Governance for Co-ordination

In order to implement the co-ordinated retail market schema, a new common NI & ROI governance structure was established to deliver the project. The diagram below illustrates the chain of responsibility for the governance of all matters pertaining to schema co-ordination across the two retail markets.

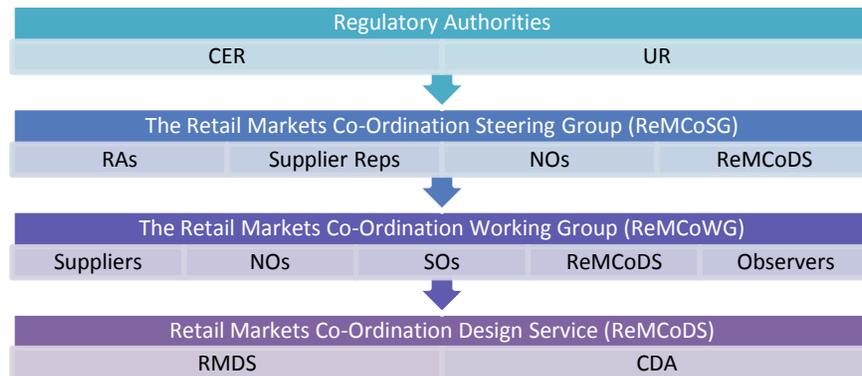


Figure 2 Co-ordination Project Governance Structure⁷

The project governance structure has been largely maintained to serve as the enduring structure for overseeing the regulation of the co-ordinated retail electricity markets. The roles and responsibilities of each party or person, and the hierarchy of decision making is set out in the following sections under the headings of the Retail Markets Co-ordination Steering Group and Retail Markets Co-ordination Working Group.

⁷ where CDA is the Central Design Authority, Supplier Reps are supplier representatives as per the Terms of Reference, ReMCoDS is the Retail Markets Co-Ordination Design Service, RMDS is the Retail Market Design Service, NOs are the Network Operators and RAs the regulatory Authorities.

3 Retail Markets Co-ordination Steering Group

The Retail Markets Co-ordination Steering Group (ReMCoSG) is formally established under the direction of UR and CER and provides a forum for the overall governance and strategic guidance of the Co-ordinated retail markets in ROI and NI. The ReMCoSG is made up of:

- The CER and UR (the RAs)
- ESB and NIE (The Network Operators, the NOs)
- ReMCoDS (the ReMCoDS, – Secretariat)
- Suppliers

As further discussed in section 3.1.1, the RAs chair the ReMCoSG. All other parties listed above are entitled to nominate members to sit on the ReMCoSG, with suppliers able to collectively nominate up to two members, (one to represent NI suppliers and one to represent ROI). All parties shall notify the RAs, in writing, of their nominee (s) and an alternative for appointment to the ReMCoSG. All appointments will be reviewed every 12 months.

3.1 Terms of Reference of the Retail Markets Co-ordination Steering Group

The ReMCoSG has overall responsibility for ensuring the following high level principles are reflected throughout its governance of the co-ordinated market schema:

- Industry representation and input
- Practical solutions
- Efficiency and cost control
- Transparency and accountability
- External involvement and consultation
- Consistency and future direction
- Evolution of the design

In effectively discharging its key governance role, the ReMCoSG identifies new actions and objectives to be undertaken by stakeholders, and seeks to ensure that these are completed in an effective and timely manner.

The wider remit of the ReMCoSG includes:

- Adopting additional areas of schema co-ordination where these can be shown (through such change control) to be in the overall interest of the two markets, and;
- Overseeing market assurance arrangements in NI and ROI (this will be done separately by each RA in the respective jurisdiction), to ensure all market participants are capable of moving to a co-ordinated market environment in a planned and structured manner.

3.1.1 The Regulatory Authorities

The RAs have the responsibility to ensure that any changes made to the two co-ordinated retail electricity markets are prudent, economically sound and pragmatic, given the competing drivers of timeline and the time to develop ideal solutions, and in the best interests of all stakeholders from both jurisdictions.

Therefore the setting of objectives and any final decisions related to co-ordination must be agreed by both RAs.

The standing duties of the RAs include the following:

- The RAs chair and host the ReMCoSG and appoint the chair or chairs of the Retail Markets Co-ordination Working Group (ReMCoWG).
- The RAs are jointly responsible for making decisions at the ReMCoSG.
- The RAs are jointly responsible for the setting of objectives. The ReMCoSG and the ReMCoWG are kept informed of progress in this regard.
- The RAs work closely with the NOs and Suppliers in order to achieve objectives in a timely and effective manner.
- The RAs maintain membership of the ReMCoSG under review.
- The RAs may attend the ReMCoWG meetings, and if so, will do so in an observatory role only.

3.1.2 Network Operators

ESB Networks (ESBN) and NIE Transmission & Distribution (NIETD) are the licensed system operators with responsibility for the delivery of retail market infrastructure, systems and processes. The NOs are neutral market facilitators that provide non discriminatory services to the retail market. The NOs are the owners of the systems that allow the two retail markets to operate. In this capacity, they are responsible for changing and upgrading these systems in accordance with the requirements of the markets. The standing duties of the NOs in the context of the ReMCoSG are as follows:

- The NOs attend and participate at the ReMCoSG and, if appointed by the RAs, act as joint chairs and secretariat of the ReMCoWG (in the capacity of the Retail Markets Co-ordination Design Service - ReMCoDS).
- Through the Retail Markets Design Change Control Process⁸, the NOs develop and bring forward proposals for alignment of market messages and associated Supplier facing processes.
- The NOs are responsible for the detailed implementation of objectives, within budgets and timescales approved by the relevant RA. The ReMCoSG and the ReMCoWG are kept informed of progress in this regard.
- The NOs work closely with the RAs and Suppliers in order to achieve objectives in a timely and effective manner.

3.1.3 Retail Markets Co-ordination Design Service

The Retail Markets Co-ordination Design Service (ReMCoDS) is a joint activity between ESBN and NIE and is run by a small team drawn from the Retail Market Design Service and CDA functions. Its primary function is the administration of the common change control process and publication of the resulting products. To facilitate this it acts as secretariat to both the ReMCoSG and the ReMCoWG to ensure co-ordination between the secretariats of the two groups.

The ReMCoDS administers the suite of baseline market documents covering shared common components and jurisdiction-specific market message guides and impact documents. The common

⁸ [Change Control Process for the Harmonised Retail Electricity Market Design](#)

change control process ensures these documents remain synchronised and the impact of any co-ordination change requests are understood and managed in a planned and structured fashion. The ReMCoDS change control process is set out in the [Retail Markets Design Change Control Process](#). The ReMCoDS will report the deliberations of the ReMCoWG to the ReMCoSG.

3.2 Relationships with other bodies

The ReMCoSG will interact with the following groups.

3.2.1 Retail Markets Co-ordination Working Group

The ReMCoWG is formally appointed by the ReMCoSG and provides a forum for all market participants to input into the development and implementation of any of the co-ordination workstreams in RoI and NI as decided upon by the RAs. A summary of the key points of discussion at each ReMCoSG meeting is presented to all participants at the following ReMCoWG.

3.2.2 Jurisdictional Committees

The ReMCoSG (and, acting under its overall direction, the ReMCoWG) in no way replaces the CDA Board and / or IGG. Rather, it supplements them in providing a joint forum in which proposals and other matters relating to schema co-ordination, or other potential co-ordination matters as decided upon by the RAs jointly, can be identified, discussed and an action plan agreed. Issues pertaining wholly to (non co-ordinated) market activities in either jurisdiction remain the responsibility of CDA Board or IGG as appropriate. For example, change control procedures already in place in the south and north have been modified to include consideration of co-ordination related changes by the ReMCoSG, whilst directing jurisdictional specific changes to CDA Board or IGG as appropriate.

In acting in this manner, it will be essential to avoid any potential disjoint between the different groups, and to co-ordinate the resolution of issues relating to co-ordination across all bodies. In part, this is achieved by the overlapping membership of CDA Board, IGG and the ReMCoWG. The Terms of Reference for the CDA Board and for the IGG also reflect the existence of, and need for full co-ordination with, the ReMCoSG and the ReMCoWG on an as required basis.

3.2.3 Sub Groups

The ReMCoSG may convene one or more subgroups to address detailed issues relevant to the two co-ordinated retail electricity markets on an as required basis.

These subgroups may include, but are not limited to:

- A technical advisory group to discuss matters of a technical nature relating to the two co-ordinated retail electricity markets;
- A supplier Forum to discuss matters with a customer and Supplier focus, including those of a commercial nature, and where the outcome of such discussions are relevant to the two co-ordinated retail electricity markets

For each subgroup, the ReMCoSG will approve:

- Terms of Reference
- Constitution
- Chair
- Duration of operation
- Frequency of meeting
- Any other matters relevant to the operation of the subgroup.

3.3 Conduct of the Retail Markets Co-ordination Steering Group Meetings

3.3.1 Chair

Each meeting of the ReMCoSG will be chaired by one or other of the RAs. By default, the chair of any meeting will fall to the RA in whose jurisdiction the meeting is held. However, the RAs may choose to vary this arrangement, or to delegate the chair as appropriate. The Chair will seek to ensure the efficient organisation and conduct of the functions of the ReMCoSG pursuant to this document.

Either RA may invite one or more observers to attend a ReMCoSG meeting. The invitation may extend to a specific meeting, or to all meetings over a period of time. All invitations will need to be agreed by both RAs. An observer may participate fully in any discussions at a ReMCoSG meeting to which they are invited, but cannot participate in any decision making process, as this rests solely with the RAs.

3.3.2 Secretariat

The ReMCoDS will provide secretariat services to the ReMCoSG and will be invited to attend each meeting of the ReMCoSG in this capacity.

The secretariat prepares an agenda and records minutes for each meeting of the ReMCoSG, forwarding these to all members for review:

- Agendas will be forwarded by the secretariat to all ReMCoSG members at least five working days before the meeting of the ReMCoSG;
- Minutes will be forwarded by the secretariat to all members of the ReMCoSG at most five working days after the meeting to which they pertain. ReMCoSG members shall have a period of ten working days to review the minutes and provide comments back to the secretariat, who shall update them accordingly for presentation to the following ReMCoSG for approval.
- The secretariat will also distribute any relevant papers to ReMCoSG members along with any outstanding action list and ensure these are delivered at least five working days before the meeting of the ReMCoSG.

The secretariat keeps a log of all actions raised at any meeting of the ReMCoSG, and ensures these are followed up by the relevant person / party in a timely manner.

The secretariat is also responsible for the efficient facilitation of all communications with the ReMCoWG (via the ReMCoDS who also act as secretariat to that body), and with the other parties identified under Sections 3.2 as required.

3.3.3 Decision Process

The RAs make all final decisions in relation to all matters relating to the governance and overall design of the co-ordinated retail electricity markets schema (or such other matters as agreed by the RAs to be the subject of ReMCoSG discussions and as set out in Section 1), in line with the following process.

3.3.3.1 Raising Issues

All matters for discussion and subsequent decision are raised at a ReMCoSG meeting. Matters may be raised directly by any member of ReMCoSG by email submission to the secretariat no later than five working days before the meeting at which they wish the matter to be discussed. Alternatively, both

recommendations under the Retail Markets Design Change Control Process, and more general matters for discussion, may be passed from the ReMCoWG to the ReMCoSG for discussion and / or approval at the next available meeting.

All matters are subject to a round table discussion at a ReMCoSG meeting, in which the RAs, NOs, the Supplier Representative(s) and any other observers invited by the RAs are entitled to participate. Taking account of the views expressed by all parties at the meeting, the RAs jointly reach a decision. The minutes of the meeting serve as a record of the decision.

In the event that the RAs are unable to reach a decision at the meeting itself, they agree:

- the additional steps which need to be undertaken by any party to further their ability to reach a decision, for example any requirements for additional information or assessments of potential impact;
- responsibility for and timing of these steps;
- assuming these steps complete as planned, the process they will then undertake to reach a decision, including an anticipated date for completion.

Any decision reached jointly by the RA's without a ReMCoSG meeting (for example by email) is recorded in the minutes of the following ReMCoSG meeting.

3.3.3.2 Escalation

All matters for discussion and subsequent decision are raised at a ReMCoSG meeting. Matters may be raised directly by any member of the ReMCoSG by email submission to the secretariat no later than five working days before the meeting at which they wish the matter to be discussed (although this may be less if agreed by both RAs).

Unanimous recommendations from the ReMCoWG submitted to the ReMCoSG for approval are handled in line with the above procedures. In addition, the ReMCoSG provides an escalation route for all matters on which the ReMCoWG has not been able to reach agreement. In this case, the Chair of the ReMCoWG will set the final date by which members may submit a written position on the issue. The ReMCoDS in its role of secretariat to the ReMCoWG will collate the responses and forward them to the ReMCoSG for decision in line with the above process. In reaching its decision, the ReMCoSG reserves the right to seek further information from one or more members of the ReMCoWG. The ReMCoSG will communicate its decision back to all members of the ReMCoWG. ReMCoSG's decision will be binding on all members of the ReMCoWG.

By joint agreement, the RAs reserve the right to review any decision. The reasons for this may vary, for example based on changing market conditions or unforeseen impacts on the market design.

3.3.4 Meeting Logistics

3.3.4.1 Frequency

The ReMCoSG, until the end of 2012, will meet approximately every six weeks in so far as is reasonably possible, and more often if required. Thereafter, the ReMCoSG will meet on a quarterly basis.

3.3.4.2 Location

The location of ReMCoSG meetings alternates between CER offices and UR offices in so far as is reasonably possible.

3.3.4.3 Quorum

The quorum for any meeting of the ReMCoSG shall comprise:

- A representative of each RA;
- A representative of each NO;
- A representative of the relevant RAs (or NO/ ReMCoDS if duly delegated by RAs) in its capacity as provider of secretarial support for the meeting; and
- A supplier representative.

4 Retail Markets Co-ordination Working Group

The ReMCoWG is formally appointed by the ReMCoSG and provides a forum for all Suppliers to input into the development and implementation of any of the Retail Electricity Co-ordination workstreams in RoI and NI as decided upon by the RAs.

4.1 Terms of Reference of the Retail Markets Co-ordination Working Group

The ReMCoWG will:

- Develop and implement any revisions to the Co-ordinated Baseline agreeing messaging standards for the two co-ordinated retail electricity markets in Ireland, including standards for the schema and how these will be used.
- Seek input from ReMCoWG members on proposed changes to the Co-ordinated Baseline, and make recommendations to the ReMCoSG on their adoption.
- Propose an agreed work programme for the implementation of agreed changes to the Co-ordinated Baseline. This will involve the prioritising and scheduling of agreed changes in line with the Retail Market Release Strategy⁹.
- Communicate to the wider industry changes to the Co-ordinated Baseline, testing procedures and upgrade and cutover issues.

In addition, and as the ReMCoSG deems necessary, the ReMCoWG will provide a forum for discussion of the following topics pertaining to the two co-ordinated retail electricity markets in Ireland, making recommendations to the RAs, SEMO or any other body where appropriate:

- Recommended procedures, codes of practice and draft operational policies.
- Performance monitoring and reporting.
- Forward planning.
- Assurance processes for the markets going forward.
- Processes for compliance checks and regular audits for market participants already operational in the markets.
- Best practice and cooperation between all market participants.
- Interactions with the Trading and Settlement Code Modification Panel as required.

If appropriate and where necessary, the ReMCoWG may develop industry sub-groups, to oversee and advise the ReMCoWG on relevant issues such as the Retail Markets Design Change Control Process and other technical issues. Any such groups will be appointed by the ReMCoSG.

4.2 Constitution of the Retail Markets Co-ordination Working Group

The ReMCoWG is primarily a Supplier forum. As the key players in the retail markets, driving competition and customer services, Suppliers are best positioned to identify new requirements and potential risks in market operation. Suppliers' views are reported back to the ReMCoSG by the ReMCoDS through the ReMCoWG update/minutes; and each set of agreed ReMCoWG minutes is formally reviewed and noted by the ReMCoSG. Suppliers may also write to the appropriate RA if they believe a proposal or concern has not been properly addressed through the ReMCoWG / correctly recorded in its minutes.

⁹ Harmonised Retail Market Development Plan 2012-2015

Single Electricity Market Operator (SEMO) and the Transmission System Operators (TSOs) also have defined responsibilities in relation to the wholesale electricity market and the transmission system respectively. To the extent that these responsibilities impact on the retail markets, for example in relation to Global Aggregation, the RAs expect these bodies to participate in the ReMCoWG to ensure that any proposed changes are consistent with wholesale market and transmission system requirements.

The ReMCoWG will consist of

- Market Participants
- Observers

4.2.1 Market Participants

- One member nominated by each of the following NIE / ESB Networks functions or appropriate equivalent:
 - o MRSO
 - o DUoS Billing
 - o Meter Operator
 - o Data Collector and database function
- One member nominated by the TSO
- One member nominated by the SEMO
- One member nominated by each Licensed Supplier
- A representative for the Design Administrator for the Northern Ireland Retail Electricity Market (CDA)
- A representative for the Design Administrator for the Retail Electricity Market (RMDS) in ROI
- A representative of the ReMCoDS (in addition to any secretariat services, see Section 4.4.2)

4.2.2 Observers

- Retail electricity market assurance bodies
- Suppliers licensed by the RAs who are embarking on the retail market entry process
- Other interested parties such as consumer groups and representatives from other energy markets whom the ReMCoSG may choose to invite to observe the ReMCoWG as and when it deems appropriate
- A representative of UR
- A representative of CER

4.2.3 Retail Markets Co-ordination Design Service

As set out in section 3.1.3, the ReMCoDS is responsible for the administration of the common change control process and publication of the resulting products. In relation to the ReMCoWG, the ReMCoDS will report the deliberations of the ReMCoWG to the ReMCoSG.

4.3 Relationships with other bodies

4.3.1 Retail Markets Co-ordination Steering Group

As discussed in sections 4.2 the ReMCoWG will report to the ReMCoSG.

4.3.2 Jurisdictional Committees

As discussed in sections 3.2.2., other established groups in both NI and the ROI already play a key role in the overall management of market procedures and activities. Principal of these are the CDA Board in the north, and the IGG in the south.

4.3.3 Subgroups

In accordance with Section 4.1, the ReMCoWG will, where it is deemed necessary and with the approval of the ReMCoSG, be responsible for convening subgroups to address detailed issues relevant to the two Retail Electricity Market Designs.

These subgroups may include, but are not limited to:

- A technical advisory group to discuss matters of a technical nature relating to the two Retail Electricity Market Designs
- A supplier Forum to discuss matters with a customer and Supplier focus, including those of a commercial nature, and where the outcome of such discussions are relevant to the two co-ordinated retail electricity markets

For each subgroup, the ReMCoWG will recommend the following to the ReMCoSG for their approval:

- Terms of Reference
- Constitution
- Chair
- Duration of operation
- Frequency of meeting
- Any other matters relevant to the operation of the sub group.

4.4 Conduct of Retail Markets Co-ordination Working Group

4.4.1 Chair

Each meeting of the ReMCoWG will be chaired by a representative of one of the Network Operators (ESBN / NIETD). However, the RAs may choose to vary this arrangement, or to delegate this chair as appropriate. It is envisaged that the chair will remain with the network owners unless it is found to be entirely unworkable.

The Chair will seek to ensure the efficient organisation and conduct of the functions of the ReMCoWG pursuant to this document.

4.4.1.1 Nominations

Each of the parties entitled (in accordance with Section 4.2) to nominate a member to sit on the ReMCoWG shall notify the ReMCoSG, in writing, of their nominee and an alternative for appointment to the ReMCoWG.

4.4.1.2 Duration of Appointment

The initial members of the ReMCoWG shall each serve until such time as their nominating party notifies the ReMCoSG in writing of its intention to nominate a new representative or until such time as their nominating party is no longer entitled (in accordance with Section 4.2) to nominate a member to the ReMCoWG.

4.4.1.3 Alternate Members

An alternate shall be appointed by the appropriate nominating party for each member of the ReMCoWG. If a member is unable to attend a meeting of the ReMCoWG the alternate member shall take the place of the member in that meeting.

The nomination and duration of appointment for alternate members of the ReMCoWG shall be governed by Section 4.4.1.1 and 4.4.1.2 above.

4.4.2 Secretariat

The ReMCoDS will provide secretariat services to the ReMCoWG. The attendance at the ReMCoWG of any member of the ReMCoDS in such a support capacity will be deemed additional to the ReMCoDS membership of the ReMCoWG as a market participant set out in Section 4.2.

The ReMCoDS will prepare an agenda and record minutes for each meeting of the ReMCoWG and forward these to the ReMCoSG for review:

- Agendas will be forwarded by the ReMCoDS to the ReMCoWG at least five working days before the meeting of the ReMCoWG
- Minutes will be forwarded by the ReMCoDS to the ReMCoWG not more than five working days after the meeting to which they pertain for agreement. Following agreement, the ReMCoDS will make all reasonable efforts to forward the agreed ReMCoWG minutes to the ReMCoSG at least five working days before the ReMCoSG meeting for the ReMCoSG to review and note. The ReMCoSG will review the ReMCoWG minutes and discuss the ReMCoWG minutes as a standing ReMCoSG agenda item.
- A note of the issues discussed at ReMCoSG will be distributed to all ReMCoWG members by the ReMCoDS secretariat following each meeting of the ReMCoSG.

The ReMCoDS shall be responsible for performance by the secretariat of its functions under the Terms of Reference. The ReMCoDS also provides secretariat services to the ReMCoSG. Any communications from the ReMCoWG, or its individual members (including matters pertaining to ReMCoWG membership nominations set out in Sections 4.4.1.1) shall be submitted to the ReMCoDS (as the ReMCoSG secretariat) by email for onwards forwarding to the ReMCoSG.

4.4.3 Decision Process

The ReMCoSG reserves the right to make all final decisions in relation to all matters in relation to the governance and overall design of the co-ordinated Retail Electricity Markets schema.

Subject to the above, the ReMCoWG shall have the power to make decisions regarding its own operational activities. Within the ReMCoWG, recommendations will be reached where possible, by consensus. In the absence of a consensus the Chair will set the final date by which members may submit a written position on the issue. The ReMCoDS, in its role of secretariat, will collate the responses and forward them to the ReMCoSG for decision. In reaching its decision, the ReMCoSG reserves the right to seek further information from one or more members of the ReMCoWG. The ReMCoSG will communicate its decision back to all members of the ReMCoWG via the ReMCoDS secretariat. The ReMCoSG's decision will be binding on all members of the ReMCoWG.

The process by which the ReMCoWG discusses and forms recommendations on changes to the "Retail Market Design" is governed by the Retail Markets Design Change Control Process, as agreed by the ReMCoWG and approved by the ReMCoSG.

These rules for decision making shall apply to all matters under the responsibility of the governance regime.

The ReMCoSG reserves the right to review any decision. The reasons for this may vary, for example based on changing market conditions or unforeseen impacts on the co-ordinated market design.

4.4.3.1 Raising Issues

Any member of the ReMCoWG has the right to raise items for discussion at a ReMCoWG meeting provided these fall within the overall scope of these Terms of Reference.

Items related to the documents governed by the Retail Markets Design Change Control Process should be raised in accordance with the provisions of the Retail Markets Design Change Control Process. This includes all matters pertaining to the Co-ordinated Baseline, which must be raised as Discussion Requests in line with this process.

Items not directly related to the documents governed by the Retail Markets Design Change Control Process but, which in accordance with terms of reference of the ReMCoWG as set out in Section 4.1 relate to wider issues surrounding the two co-ordinated retail electricity markets in Ireland, should be progressed as follows:

- The requesting member shall ensure that their request is clear and substantiated with an appropriate level of detail including, where relevant, the way in which the item in question is impacting on the operation of the two markets and a listing of the potentially impacted market documents.
- Completed requests should be submitted by email to the ReMCoDS no later than seven working days before the ReMCoWG meeting at which the requesting member wishes that the item will be debated. Requests received after that date may be held over to the following meeting of the ReMCoWG.

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- The ReMCoDS will be responsible for ensuring that completed requests are included in the ReMCoWG agenda and circulated, by e-mail, to the ReMCoWG and relevant subgroup mailing lists (as maintained by the ReMCoDS) four working days prior to the ReMCoWG meeting
 - At the ReMCoWG meeting the item shall be presented by the requesting party.
 - It will be agreed at the ReMCoWG how the item should be progressed. This will include
 - o the assignment of target resolution dates for any associated follow up actions.
 - o agreeing the appropriate forum and owner for the progression of the item. Where it is decided to progress the matter outside of the ReMCoWG forum, the ReMCoWG secretariat shall be responsible for tracking progress on the item and keeping both the ReMCoSG and the ReMCoWG informed of this.
 - Following debate a decision will be made in accordance with Section 4.4.3.

4.4.3.2 Escalation Process

Any member of the ReMCoWG shall have the right to raise an Action Item Escalation Request to drive closure for a ReMCoWG action item that has not been resolved by the target date previously agreed by the ReMCoWG.

The requesting member shall ensure that their request is clear and substantiated with an appropriate level of detail including, where relevant, the way in which the outstanding action item is impacting on the operation of the two retail markets.

Completed Action Item Escalation Requests should be submitted by email to the ReMCoDS no later than six working days before the ReMCoWG meeting at which it is intended that the escalation request will be debated. Requests received after that date may be held over to the next meeting of the ReMCoWG.

The ReMCoDS will be responsible for ensuring that completed Action Item Escalation Requests are circulated, by e-mail, to the ReMCoWG and relevant subgroup mailing lists (as maintained by the ReMCoDS) four working days prior to the ReMCoWG meeting.

Other members may submit written responses (to the ReMCoDS) to the Action Item Escalation Request

At the ReMCoWG meeting the Action Item Escalation Requests shall be presented by the requesting party. A summary of the responses shall be presented by the ReMCoDS. Members representing respondent companies shall have the right to present their responses.

Following debate a decision will be made in accordance with Section 4.4.3.

4.4.4 Meeting Logistics

4.4.4.1 Frequency

The ReMCoWG, until the end of 2012, shall meet at least once every six weeks. Thereafter, the ReMCoSG will meet once every eight weeks. The ReMCoWG, may meet more frequently if it deems this necessary, or is instructed to do so by the ReMCoSG.

4.4.4.2 Location

The location and time of each meeting should be fixed at the general convenience of the members and shall be published by the ReMCoDS to ReMCoWG members and participants in the two electricity retail markets in their role of secretary to the ReMCoWG at least one week prior to a meeting.

4.4.4.3 Quorum

The quorum for meeting is as follows

- At least one member nominated by an ESB Networks function
- At least one member nominated by an NIE Networks function
- One member nominated by the TSO for relevant items
- One member nominated by the SEMO for relevant items
- At least two members among those nominated by licenced Suppliers
- A person nominated by the ReMCoDS

5 Other Matters

5.1 *Change Management*

These Governance Arrangements can be varied at any time subject to approval by both RAs.

6 Reference and related documents

- Retail Markets Design Change Control Process
- Harmonised Retail Market Development Plan 2012-2015
- Harmonisation – Terms of Reference