

Market Readiness Assessment Report 28-11-2016

Comment

Overall the state of readiness is low. While there are a few common themes that are still present including the need to finalise rules and insufficient time overall, this survey shows that there are individual factors that respondents are reporting e.g. resources readiness is impacted by uncertainty. Progress is being made by other respondents who report that they have started to engage with their vendors. The results of this survey will help to focus on issues that need to be resolved in order to raise the overall state of readiness across the programme. This report reflects the readiness status among participants before the Stocktake results were published. According to the Stocktake report "the reprogramming taking place will increase market participant confidence in the Go Live date and thus facilitate their commercial, organisational and systems delivery and readiness activities".

Readiness Status by Market and Participant Category

	Balancing Market & Imbalance Settlement	Day Ahead & Intraday Markets	Capacity Market	FTR Market
Market Participants	(1)	(1)	(1)	(1)
Interconnector Owners	(2)	(2)	(2)	(2)
Meter Data Providers	(3)			
EirGrid/SONI as System Operator (incl. its role as CM Delivery Body)	(2)	(2)	(1)	(1)
EirGrid/SONI as Market Operator (incl. NEMO)	(2)	(2)		
EirGrid/SONI as AoLR		(2)		
Regulatory Authorities	(3)	(3)	(3)	(3)

Notes

	Comments	Actions & Impacts
1)	As market rules are not finalised many participants find that they are limited in the amount of progress that that can be made. This in combination with the existing timeline results in a red status.	The draft Trading and Settlement Code was published earlier this month (November 15th). This included a full set of I-SEM rules, agreed procedures, existing SEM rules and transitional rules. This will undergo consultation and should help to finalise a number of decisions that are outstanding. The re-planning effort that will arise from the Stocktake process may result in some additional time for certain activities which should give participants greater confidence. However, a number of other activities will continue with the same timelines. JCR 170 was published on November 24th and it gives a comprehensive overview of the proposed changes. The impact assessment process affords participants the opportunity to communicate the implications that the proposals have for their programmes. The TSOs are also working to identify categories of participants that might not have engaged in the past and are working with them to establish new ways of communicating, e.g. small wind operators.
2)	Interconnector owners are relatively well advanced in their implementation of their programmes. The FTR market timeline is ahead of the other markets.	
3)	RA readiness reporting as currently presented is being reviewed. The RA readiness reporting format is subject to change in following later market readiness reports.	

Readiness Status by Metric and Participant Category

Balancing Market & Imbalance Settlement		Market Participants	ICOs	MDPs	EirGrid/SONI as System Operator (incl. its role as CM Delivery Body)	EirGrid/SONI as Market Operator (incl. Nemo)	EirGrid/SONI as AoLR	Regulatory Authorities
Readiness Per Participant Category								
1	Readiness of Business Strategy, Planning, and Financial Resources	BM1						
2	Readiness of Legal and Contractual Framework: Central Components							
3	Readiness of Legal and Contractual Framework: Agreements and Contracts	BM1						
4	Readiness of Systems	BM2		BM4				
5	Readiness of Business Processes and Procedures	BM1						
6	Readiness of People and Organisation							
7	Readiness of IT infrastructure and Other Facilities	BM3						
8	Market Trial: Planning and decision making							
9-11	Market Trial: Preparation, Management & reporting, and Execution							
14	Registration	BM5	BM5					
15	Deployment of back-end systems to support FTR market							
12	Deployment and Transition to live: Planning & central market processes and systems							
13	Deployment and Transition to live: Participants							

Notes

Comments	Actions & Impacts
BM1 As market rules are not finalised many participants find that they are limited in the amount of progress that that can be made. This in combination with existing timeline generates a red status.	The draft Trading and Settlement code was published earlier this month (November 15th). This included a full set of I-SEM rules, agreed procedures, existing SEM rules and transitional rules. This will undergo consultation and should help to finalise a number of decisions that are outstanding.
BM2 Market Participants find that greater design clarity is needed and before that is provided they are limited in the amount of progress that that can be made.	Greater clarity and design may be facilitated by working collaboratively through the liaison group process. The TSOs are currently planning an extensive series of liaison group meetings for 2017.
BM3 The delay in readiness of IT infrastructure is considered to be a knock-on effect by participants as they are dependent on the system design details.	The Technical Specification Programme outlines the interface requirements and other details. So far there have been four different deliverables in this programme. They were published on the I-SEM webpage for publications under Technical Liaison Group on June 3rd, July 8th, September 5th and October 28th. More Technical Specifications will be published in early 2017.
BM4 Meter Data Providers has found that the timescale for testing will be longer than originally estimated and are therefore in status red.	The overall testing plan will be reviewed as part of the impact assessment of JCR170 to insure that there is sufficient time to enable Meter Data testing to take place.
BM5 Included under Market Trial Preparation	

■ Market / Metric not applicable

Readiness Status by Metric and Participant Category

Day Ahead & Intraday Markets		Market Participants	ICOs	MDPs	EirGrid/SONI as System Operator (incl. its role as CM Delivery Body)	EirGrid/SONI as Market Operator (incl. Nemo)	EirGrid/SONI as AoLR	Regulatory Authorities
Readiness Per Participant Category								
1	Readiness of Business Strategy, Planning, and Financial Resources	DAM1						
2	Readiness of Legal and Contractual Framework: Central Components							
3	Readiness of Legal and Contractual Framework: Agreements and Contracts	DAM1						
4	Readiness of Systems	DAM1	DAM3					
5	Readiness of Business Processes and Procedures	DAM1						
6	Readiness of People and Organisation							
7	Readiness of IT infrastructure and Other Facilities	DAM2						
8	Market Trial: Planning and decision making							
9-11	Market Trial: Preparation, Management & reporting, and Execution							
14	Registration							
15	Deployment of back-end systems to support FTR market							
12	Deployment and Transition to live: Planning & central market processes and systems							
13	Deployment and Transition to live: Participants							

Notes

Comments	Actions & Impacts
DAM1 Market Participants find that as the NEMO rules are not finalised and more details are needed they are prevented from making progress in this area. For DAMM3 Refit dependency also comes into play. Market Participants find that the system design is dependent on the finalised market rules and are prevented from moving forward in this area until the market rules are ready.	A number of areas mentioned in comments are outside the scope of the I-SEM project e.g. Refit and PPA agreements. In relation to the day-ahead and intra-day markets, materials providing additional detail on these markets are being provided through the Business Liaison Group (BLG) forum. These materials will address participant questions, describe the day-ahead and intra-day solution and will provide the basis for developing the NEMO rules. Work is commencing on the NEMO rules and the BLG will be utilised as the consultation forum for this. In the past this kind of approach has meant that there were fewer surprises for participants who attended BLGs or similar groups.
DAM2 Market Participants request more details around decisions and find that they are limited in the amount of progress that that can be made without these details. This in combination with imposed timeline generates a red status.	The Technical Specification Programme outlines the interface requirements and other details. So far there have been four different deliverables in this programme. On June 3rd, July 8th, September 5th and October 28th. More Technical Specifications will be published in early 2017.
DAM3 A need for a good communication channel between the ICOs and the I-SEM project to enable the required systems to be specified, designed and implemented.	The TSOs have commenced a I-SEM/ICO communications group to ensure there is adequate communication between the TSOs and ICOs.
DAM4 Included under Market Trial Preparation	

Readiness Status by Metric and Participant Category

Capacity Market		Market Participants	ICOs	MDPs	EirGrid/SONI as System Operator (incl. its role as CM Delivery Body)	EirGrid/SONI as Market Operator (incl. Nemo)	EirGrid/SONI as AoLR	Regulatory Authorities
Readiness Per Participant Category								
1	Readiness of Business Strategy, Planning, and Financial Resources	CM1						
2	Readiness of Legal and Contractual Framework: Central Components							
3	Readiness of Legal and Contractual Framework: Agreements and Contracts	CM1						
4	Readiness of Systems	CM2						
5	Readiness of Business Processes and Procedures							
6	Readiness of People and Organisation							
7	Readiness of IT infrastructure and Other Facilities							
8	Market Trial: Planning and decision making							
9-11	Market Trial: Preparation, Management & reporting, and Execution							
14	Registration	CM3	CM3					
15	Deployment of back-end systems to support FTR market							
12	Deployment and Transition to live: Planning & central market processes and systems							
13	Deployment and Transition to live: Participants							

Notes

	Comments	Actions & Impacts
CM1	Market Participants request more details around certain decisions e.g. local issues / security of supply decision. They find that they are limited in the amount of progress that that can be made without these details and a concluded consultation process. This in combination with existing timeline generates a red status.	The Local Issues Security of Supply Decision is due to be published by the RAs on December 8th. Note that this may be subject to change following the Stocktake process. This document will describe a framework within the CRM design aimed at ensuring there is sufficient generation adequacy in areas that are considered capacity constrained.
CM2	As market rules are not finalised many participants find that they are limited in the amount of progress that that can be made.	The Capacity Market Code is to be published for consultation In the new year and will provide details requested by participants. A final decision is due in mid 2017.
CM3	Included under Trial/Mock Auction Preparation	

Readiness Status by Metric and Participant Category

FTR Market		Market Participants	ICOs	MDPs	EirGrid/SONI as System Operator (incl. its role as CM Delivery Body)	EirGrid/SONI as Market Operator (incl. Nemo)	EirGrid/SONI as AoLR	Regulatory Authorities
Readiness Per Participant Category								
1	Readiness of Business Strategy, Planning, and Financial Resources							
2	Readiness of Legal and Contractual Framework: Central Components							
3	Readiness of Legal and Contractual Framework: Agreements and Contracts							
4	Readiness of Systems							
5	Readiness of Business Processes and Procedures							
6	Readiness of People and Organisation							
7	Readiness of IT infrastructure and Other Facilities							
8	Market Trial: Planning and decision making							
9-11	Market Trial: Preparation, Management & reporting, and Execution							
14	Registration							
15	Deployment of back-end systems to support FTR market							
12	Deployment and Transition to live: Planning & central market processes and systems							
13	Deployment and Transition to live: Participants							

Notes

Comments	Actions & Impacts

■ Market / Metric not applicable