



Session 3: Governance

Electricity Regulatory Forum
9 October 2015, Florence

Developing NEMO governance

- CACM Guideline establishes governance rules for NEMOs
 - Sets out individual and common NEMO responsibilities
 - Choice for MS of adopting single (monopoly) or competitive NEMO(s) – designated by MS or using “passport”
 - Formal consultation and regulatory approval of “methodologies” covering such areas as algorithms, products, procedures, price limits
 - Requirement on TSOs and NEMOs to establish day-to-day management
 - Framework for cost sharing and cost recovery
- PXs have already started work on developing governance arrangements
 - Developing day-to-day management structure to ensure robust operation and efficient development processes (includes decision-making, stakeholder involvement, operational responsibilities)
 - Coordination with TSOs on areas under joint responsibility
 - Discussing emerging ideas with European Stakeholder Committee
 - Anticipate describing governance arrangements in the “MCO Plan Methodology”, subject to NRA approval (Apr 2016)
 - Current work is preliminary pending designation of all NEMOs (14 Dec)

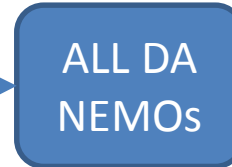
Framework Elements

PCR



PCR PXs, supported by
system Providers :
Unicorn, N-side, Colt,...

All-NEMO Committee(s)



All-NEMO Committee provides a framework for all-NEMO tasks (development and implementation of CACM methodologies, communications, etc). Potentially a single Committee, or one each for ID and DA

XBID



XBID PXs, supported by
system providers
(expected): DBAG, Colt,...

PCR and XBID continue to be responsible for delivery and operation and act as “service providers” to all NEMOs (might be different approaches for MCO Function for DA and ID)

Various contractual structures under review