

ELECTRICITY (SINGLE WHOLESALE MARKET) (NORTHERN IRELAND) ORDER 2007

S.I. 2007 913

EXPLANATORY MEMORANDUM

CONSULTATION

12. Consultation and engagement of all stakeholders has been a key aspect of the SEM project to date and will continue to be so to ensure that the principles and planned procedures meet with the overall needs of the electricity industry.
13. The Department consulted interested parties on the Order and associated Explanatory Memorandum and Regulatory Impact Assessment between November 2005 and January 2006. Twenty one bodies and companies responded out of 467 invitations. In general, there was support for the Order and the potential of the SEM to deliver tangible benefits for electricity consumers North and South. However, a number of technical changes for the Order were suggested. In addition, a number of respondents, including the Democratic Unionist Party (DUP) and the Social Democratic and Labour Party (SDLP) emphasised the necessity to address the dominance and market power of individual participants in order to promote greater competition in the SEM and enable the projected benefits of the SEM to be realised.
14. As a result of the consultation exercise, a number of amendments were made to the Order. Copies of the responses, together with a summary of the outcome of the Department's consideration of the issues raised can be accessed by referencing the Department's website at www.detini.gov.uk following the link to the consultation section and double clicking on "The Electricity (Single Wholesale Market) Northern Ireland Order 2007 (November 2006)"
15. In addition, the Northern Ireland Authority for Energy Regulation (the "Authority") and the Commission for Energy Regulation in ROI ("CER") have undertaken extensive and ongoing consultations within the electricity sectors, North and South on details of the SEM proposals. The consultation process has helped to refine the overall policy development.
16. The All Island Energy Market Development Framework was itself subject to its own consultation process. It received the broad support of the energy sectors in both NI and ROI, including key industrial stakeholders and the CBI NI and IBEC-CBI Joint Business Council.