Assurance Strategy for the Irish Retail Electricity Market

Version: 1.0

Status: Approved

Issue date: November 2006

Gemserv Limited
7th Floor Centurion House
24 Monument Street
London
EC3R 8AJ

Company Reg. No: 4419 878

Tel: +44 (0) 20 7090 1000
Fax: +44 (0) 20 7090 1001

www.gemserv.com

I Change History

Version	Status	Issue date	Reason For Change
0.1	Draft	March 2006	Initial Draft
0.2-0.5	Draft		Internal comments
0.6	Draft		RMDS comments
0.7 – 0.8	Draft	April 2006	Comments from Market participants
0.9	Draft	May 2006	Amendments
0.10	Draft for approval	May 2006	Following final comments from MPs

II Quality Assurance

Name	**Responsibility**	**Signature**	**Date**
Author:			
Dinesh Sharma	Assurance Team		07/03/2006
Reviewer(s):			
Peter Varley	Assurance Team		10/03/2006
Alec Thompson	Assurance Team		10/03/2006
MPs	Industry		Apr-July 2006
Authorised:			
Kieran McNamara	CER		07/11/2006

V Table of Contents

1. INTRODUCTION 4

1.1 PURPOSE AND SCOPE OF THE STRATEGY 4
1.2 BACKGROUND 4
1.3 CONTEXT FOR ASSURANCE 6

2. APPROACH TO MARKET ASSURANCE 7

2.1 PRINCIPLES 7
2.2 ASSURANCE TECHNIQUES 9

3. TYPES OF ASSURANCE 13

3.1 NEW ENTRANTS TO THE MARKET 13
3.2 EXISTING PARTICIPANTS ENTERING A NEW MARKET SEGMENT 16
3.3 SUPPLIER OF LAST RESORT 16
3.4 MARKET DESIGN UPDATES AND CHANGES TO CENTRAL SYSTEMS 17
3.5 RE-QUALIFICATION FOR EXISTING PARTICIPANTS 19

4. GOVERNANCE 21

4.1 APPROVAL OF ASSURANCE PROCESSES 21
4.2 APPROVAL OF ASSURANCE OPERATIONS 21
4.3 MARKET PARTICIPANT OBLIGATIONS 22

5. REPORTING 23

5.1 GENERAL UPDATES 23
5.2 REPORTS TO CER 23
5.3 REPORTING TO THE RMDS 23
5.4 REPORTING TO ESB NETWORKS AND MRSO 24

APPENDIX A 25

APPENDIX B 26

1. Introduction

1.1 Purpose and Scope of the Strategy

The purpose of this document is to set out, at a high level, the approach that will be taken in providing assurance services to the Irish retail electricity market (the Market).

The objective is to provide an assurance that Market operations will not be disrupted by the legitimate activities of market participants and the introduction of changes to the design of the Market itself.

It is mandatory for all Market Participants to have successfully completed all relevant aspects of the Assurance Processes before commencing live operations in any segment of the retail market. The successful completion of the relevant aspects of the Assurance Processes and adherence to assurance requirements conforming to the Assurance Strategy, approved by the Commission for Energy Regulation from time to time, is obligatory on all market participants as part of their licence.

The scope comprises a number of areas of assurance as follows:

- New entrants to the Market;
- Existing market participants entering a new market segment;
- An existing supplier wishing to be eligible as a Supplier of Last Resort;
- Updates of the market design and changes to central systems.
- Re-qualification process for dealing with significant changes for re-designs of market participants systems or processes; and
- Assurance of other areas within the Market as required.

This document provides an overview of the approach for each of these and is supported by other documents that describe them in more detail.

In all cases the reference point for assurance is the published Irish retail electricity market design, as agreed by the Industry Governance Group (IGG) and approved by the Commission for Energy Regulation (CER).

1.2 Background

In February 2005, the retail electricity market successfully opened to full competition. As the Market evolves it is anticipated that:

- new organisations will wish to become participants in the Market;
- existing participants may wish to operate in additional Market sectors;
- the market design will be adapted and modified to adjust to improvements in technology and change requests from market participants, as approved by the CER; and
- market participants will initiate and implement changes to their own systems for their own business purposes, and these changes may have the potential to impact on the participants' ability to operate non-disruptively in accordance with the market design.

The Commission has decided that in all such situations independent assurance will be required, to give confidence to the Market that the risk of disruption has been mitigated, and that this assurance service should be procured through the Retail Market Design Service (RMDS). The organisation providing the assurance service is referred to as the Assurance Body throughout this document.

1.3 Context for Assurance

This assurance strategy operates within the Irish retail electricity market, for which infrastructure and support services are provided by the following organisations:

Organisation	Services
Commission for Energy Regulation (CER, the Commission)	Market regulation, licensing and governance.
ESB Networks	Distribution. Meter Operation. Meter Reading. Data Aggregation. Communications Infrastructure. Ownership of testing environment.
Eirgrid	Transmission (TSO). Trading & Settlement (SSA) (operations & advice).
Assurance Body (Gemserv)	Market Assurance.
Meter Registration Service Operator (MRSO)	Meter Point Registration.
Retail Market Design Service (RMDS)	Market Design Administration. Support and Advice on Market Processes. Industry Meetings Secretariat. Contact point for market messaging infrastructure. Retail market entry. Management and support of testing service.

Contact points for these organisations appear in Appendix B. Organisations considering entering the Market should contact CER or the RMDS in the first instance.

2. Approach to Market Assurance

2.1 Principles

The approach is based on the assurance process that was deployed for the retail market readiness assignment in Ireland prior to the February 2005 go-live; however significant changes in detail and emphasis have been made to reflect requirements post go-live. The principles underpinning the strategy are addressed below.

Assurance should not place an unnecessary burden on the participant

The keys to successful assurance are to:

- balance the overhead of the assurance process against the risk posed by the participant, for example:
  - A new entrant would be expected to pose a greater risk than an existing market participant;
  - A small supplier would be expected to pose a smaller risk than a large one;
- minimise overhead by linking into participants' own project activities; and
- apply the process consistently.

The approaches outlined in this strategy reflect the above and also build on the experience gained in the full market opening of the Irish market. There is a risk-based approach to a number of the elements of the strategy and the participant's own project plan is taken into account when deriving an assurance approach.

The level of assurance should be balanced with the risk of amendments and additions

Amendments and changes, both to the market design and to participant's own systems, will vary considerably in terms of impact and scale. The assurance approach is to assess the risk for the introduction of changes and the approach adopted for a specific change will be commensurate with the risk posed by it.

Where systems, processes and staff are identical or very similar to those already approved within the Market elsewhere, the assurance requirements will be reduced accordingly and in some cases (for example company take-over) may be eliminated altogether.

Market assurance should be evidence based

Wherever practicable, the participant should provide evidence to the assurance body rather than be subject to a site audit. However, it can sometimes be very difficult for the assurance body to define what evidence is required and to be able to interpret the evidence without an understanding of the participant's systems. It is equally difficult (particularly for new participants) to surmise what evidence

is needed. The processes described therefore do include an element of site visits, though the amount of site-based work will be kept to a minimum consistent with the achievement of a satisfactory level of assurance.

Assurance process must be appropriate to small suppliers and generators

Reflecting this principle, the assurance strategy includes a tiered approach for new entrants, with less demanding requirements for smaller suppliers and generators whereas large suppliers will be subject to the full assurance process. This means that new suppliers can enter the Market in a small way and, only as they grow and their systems become more sophisticated and automated (with the consequent increase in the risk that this poses to the Market), will the assurance requirement become more demanding. This approach includes an obligation on the supplier to revert to CER when their business plans indicate that they will exceed defined thresholds.

Assurance process must be appropriate to suppliers in a subset of segments

Organisations may choose to operate in only specified segments of the Market. Accordingly, when entering the Market, they may choose to be approved for only a specified segment or segments. At a later date they may choose to be approved for further segments and will be required to undertake appropriate additional assurance. The segments that may be selected are:

- Quarter-Hourly
- Non Quarter-Hourly (Business Customers)
- Non Quarter-Hourly (Domestic Customers)
- Unmetered Supply

Where a new supplier wishes to enter the Market for only a subset of market segments the basic structure of the assurance process for a new supplier applies. The requirement for evidence and testing is limited to core market processes of all supplier market segments, plus those applicable to the subset involved.

Where an already-active supplier wishes to extend their functionality to additional market segments, they will have already been operating all of the core supplier market processes. Assessments and tests will be limited to the changes that the supplier has introduced to their processes and applications in order to support the additional parts of the market design.

2.2 Assurance Techniques

This section describes the techniques that make up the four main Assurance Processes as described in Section 3:

Business Solution Assessment

The Business Solution Assessment (BSA) is the first stage of the market readiness assurance process.

The aim of the BSA is to gain an assurance that the market participant's systems and processes have/are being designed and built in such a way that they will meet the requirements of the agreed design and baseline. The BSA should take place at an early stage in the lifecycle of the new entrant's project so that any revisions to the requirements or design can be incorporated prior to system build/procurement. The BSA also looks at other areas such as management procedures, including test planning and management, absorption of industry design changes and standing data and arrangements for putting in place any necessary commercial contracts with other market participants.

Market participants will be provided with a checklist of requirements and will be asked to complete this and return it to the Assurance Body, together with formal design and process documents that demonstrate their plans for compliance with the market design. An assessment of the information provided will then be carried out. There will be an initial assessment of documentary evidence at the Assurance Body's offices. This will usually be followed by a site visit. From experience, this is required to gain a proper understanding of the new entrant's design, especially where there is a significant degree of automation involved.

Key areas of assessment will include:

- Compliance with the Market Design;
- Systems architecture;
- System functionality vs. business procedures;
- Coherence of procedures and systems;
- Message processing and validation;
- Change and configuration management;
- Test planning and management; and
- Problem management.

The BSA takes the form of constructive questioning and “walkthrough” exercises to establish the completeness and coherence of the systems and processes and effectiveness of control mechanisms.

Any issues identified are formally documented and the market participant is expected to propose and agree corrective actions. The results of the actions are then verified. An outcome report is produced on completion of the BSA and updated on completion of the corrective actions.

Integration Test Assessment

The Integration Testing Assessment (ITA) forms the second stage of the market readiness assurance process. Internal testing by each applicant is an essential activity to ensure compliance with company requirements, including market design requirements. ITA verifies that testing has included a set of end-to-end, integrated tests that cover all of the market design functions, the completeness of the test programme and that test outcomes have been reviewed.

ITA is carried out soon after completion of the market participant’s internal testing with the prime objective of verifying that the market participant has carried out satisfactory testing of their systems and processes in an integrated fashion, identified and dealt with the problems arising from this and re-tested accordingly.

Participants are provided with a checklist similar to that for the BSA and are asked to complete and return it in advance of the ITA. An assessment will then be carried out. In the case of a new entrant to the Market it is more efficient for both the Assurance Body to carry this out at the new entrant’s premises to gain a proper understanding of the content of the evidence, and to be able to view online evidence such as is contained within automated testing tools. For an existing market participant that is, say, extending operations into a new sector of the Market, it may be possible to carry out the assessment based on evidence provided to the Assurance Body. The assessment will seek to verify coverage of the design, test execution and test reviews. Two main types of test are expected:

- End-to-end integration testing based on realistic business scenarios; and
- Market interface testing including message generation, despatch, receipt, validation, routing and rejection.

Issues, follow-up and reporting are documented and dealt with as for the BSA.

Data Transfer Testing

The purpose of Data Transfer Testing (DTT) is to gain assurance that the messaging 'pipeline' or infrastructure between the market participant and the market gateway is functioning correctly in both

directions, where the participant is using the MPCC. Data Transfer Testing (DTT) follows on from installation of the MPCC and forms the third stage of market assurance.

DTT is an essential readiness check for Inter-Participant Testing and can be carried out in parallel with ITA. DTT requires the use of a test version of the Market Gateway (Messaging Hub) and is supported by a test service from RMDS, which can be arranged to coincide with pre-planned market testing or otherwise at about a month's notice.

The 'pathway' from the market system through the market gateway (hub) to the inbox of the MPCC is tested as well as the reverse path from the MPCC through the gateway and to the corresponding message document (IDOC) in the market system. Data Transfer Testing does not test business process or subsequent processing of messages by MP systems; this is the subject of Inter Participant Testing (IPT).

Verification is by documentary evidence provided by the Participant and a supporting report from RMDS. If the DTT coincides with the on-site element of the ITA, it may be more efficient for all concerned if the Assurance Body's assessor witnesses the test or documentary evidence at this time.

Market participants' messages would be constructed in accordance with the Market Message Standards that are effective at the time of testing. Issues, follow-up and reporting are documented and dealt with in the same manner as in the BSA.

DTT will be required for all new entrants to the market but may also be appropriate in other cases (e.g. change to central hub; change of IP address)

Inter-Participant Testing

The purpose of Inter-Participant Testing (IPT) is to gain assurance that the Participant can correctly operate the key scenarios that it will meet in the Market using its declared systems, business processes and operational staff within normal, operational conditions.

The scenarios to be exercised are defined in the form of storyboards and are approved by the industry for this purpose. This technique requires a central test service, which is provided by RMDS and is available coincident with pre-planned market testing or otherwise at about a month's notice, therefore planning and co-ordination are essential for managing:

- The schedule for testing, including any re-tests;
- Test data; and
- Problem processing.

The tests are run by the Participant and RMDS, both of whom will produce appropriate evidence of each test step to support the test outcomes. This will include, but is not limited to, message prints, screenshots, reports and file and database prints.

Evidence is to be forwarded to the Assurance Body on a step-by-step basis. The Assurance Body will assess the evidence as it is received and compare it with the expected results. Any discrepancies will be reported. Any tests that fail will need to be re-run, however the Assurance Body will, where practicable, discuss options with the Participant and RMDS to try and find a pragmatic way forward. Issues, follow-up and reporting are documented and dealt with in the same manner as in the BSA.

3. Types of Assurance

3.1 New Entrants to the Market

For large suppliers the full market assurance process applies. Small suppliers, self suppliers and generators pose a reduced risk to market integrity as a result of the following characteristics:

- Their ability to have a significantly adverse impact on the market is smaller;
- Their level of market activity is low;
- Their inter-operation requirements are limited, perhaps even to receipt of readings; and
- The degree of automation is low. It is likely that only the facilities provided by the Market Participant Communication Component (MPCC) will be used.

Consequently, small suppliers, self-suppliers and generators are subject to a reduced assurance process prior to initial market entry.

A staged approach for new entrant suppliers and generators will therefore be adopted, as set out below.

3.1.1 New Entrants to the Market - Large Suppliers

A large supplier entering the Market would be subject to the full process as described in section 2.2. This comprises a complete:

- Business Solution Assessment;
- Integration Testing Assessment;
- Data Transfer Test and
- Inter-Participant Test.

3.1.2 New Entrants to the Market - Small Suppliers

This section describes the assurance approach for small suppliers prior to entering the Market. The definition of a small supplier appears in Appendix A to this strategy. The assurance approach comprises an initial assessment followed by Inter-Participant Testing[1].

Initial Assessment

The new entrant will be provided with a simple questionnaire to be returned to the Assurance Body. This will confirm whether the new entrant falls into the small supplier, category and will elicit some details about how it intends to operate in the Market.

[1] In the case of a participant not using an MPCC, Inter-participant testing is not required (see 3.1.3 and 3.1.4).

Inter-Participant Testing

The second stage would involve testing similar to the Inter-Participant Testing (IPT) described for larger suppliers but would be much reduced. The scenarios to be run include just those essential to sustain the business and the set is approved by the industry and includes:

- Receipt and processing of readings;
- Simple customer gain;
- Simple customer loss;
- Energise; and
- De-energise.

Confirmation of the success of these tests is by a signed declaration from the new entrant and confirmation from RMDS that, from their perspective, the tests have run as expected. The small supplier's declaration includes an acknowledgement that it will undertake further assurance when its business plan indicates that it will exceed the threshold (see Appendix A). No detailed test evidence will be sought.

3.1.3 New Entrants to the Market - Generators

This section describes the assurance approach for generators prior to operating the Market using market messages. The assurance for generators entering the Market without the use of market messages is as for Self-Suppliers (see below). The definition of a generator appears in Appendix A to this strategy. The assurance approach comprises an initial assessment followed by Inter-Participant Testing.

Initial Assessment

The new entrant will be provided with a simple questionnaire to be returned to the Assurance Body. This will confirm that the new entrant falls into the generator category and will elicit some details about how it intends to operate in the Market.

Inter-Participant Testing

The second stage would involve testing similar to the Inter-Participant Testing (IPT) described for larger suppliers but would be much reduced. For generators this is limited to the receipt and processing of export readings.

Confirmation of the success of these tests is by a signed declaration from the new entrant and confirmation from RMDS that, from their perspective, the tests have run as expected. The generator's

declaration includes an acknowledgement that it will undertake further assurance if intends to operate in any other capacity in the Market. No detailed test evidence will be sought.

3.1.4 New Entrants to the Market - Self-suppliers

This section describes the assurance approach for self-suppliers prior to entering the Market. The definition of a self-supplier appears in Appendix A to this strategy. The assurance approach comprises an Assessment only.

Assessment

The new entrant will be provided with a simple questionnaire to be returned to the Assurance Body. This will confirm that the new entrant falls into the self-supplier category and will elicit some details about how it intends to operate in the Market.

The self-supplier's declaration includes an acknowledgement that it will undertake further assurance if intends to operate in any other capacity in the Market.

3.2 Existing Participants entering a new Market Segment

In accordance with the principles set out in Section 2.1, the assurance process to cater for existing market participants entering a new market segment differentiates between large suppliers and small suppliers/generators. A Participant entering a new market segment (as described in section 2.1) will essentially need to complete the Entry Assessment Process for that segment.

3.2.1 New market segment - Large Suppliers

The following sections describe the assurance approach for large suppliers prior to operating in a new market segment:

BSA/ ITA combined

The combined BSA and ITA would be based on the equivalent process for large suppliers prior to entering the Market with a reduced scope relevant to the particular requirements of the new market sector. Evidence of compliance with the market design and verification by internal testing is provided to the assurance body at the same time.

Data Transfer Testing

Similarly, data transfer testing is based on the equivalent process for large suppliers prior to entering the Market with a reduced scope relevant to the particular requirements of the new market segment.

Inter-Participant Testing

Again, Inter-Participant Testing is based on the equivalent process for large suppliers prior to entering the market with a reduced scope relevant to the particular requirements of the new market segment.

3.2.2 New market segment - Small Suppliers

The assurance process for small suppliers or generators prior to operating in a new market sector is limited to Inter-Participant Testing. This testing is based on the equivalent Inter-Participant Testing for small suppliers prior to entering the Market with a reduced scope relevant to the particular requirements of the new market sector.

3.3 Supplier of Last Resort

In the event of a Supplier of Last Resort (SoLR) direction being issued by the Commission, the Supplier of Last Resort market process will be initiated.

The assurance approach for an organisation wishing to be eligible for appointment as SoLR is similar to that described for "Existing Participants entering a new Market Segment", with the assurance focused on the SoLR market process[2].

3.4 Market Design Updates and changes to Central Systems

Updates to the market design are issued periodically. It is important that all market participants take appropriate measures to ensure that they are ready to operate as soon as cut-over takes place. The assurance process to cover this is quite different from that described above for new suppliers, because:

- The nature of the changes and their potential impact on market participants will vary from release to release. In particular, where the XML schema is to be changed there is a direct impact on all market participants that needs to be carefully planned; and
- Most of the market participants involved will be experienced in operating in the market.

It is expected that the approach will be to carry out a "due diligence" check that all parties have taken reasonable steps to ensure continued compliance with the market design. These are expected to include, for example, impact assessment, procedural and software updates, testing of these, plans for cut-over, and contingency for a failed cut-over etc., as appropriate. The emphasis will be on the participant's own management processes, with the Assurance Body taking a view on whether these are adequate.

In some cases, especially where there has been a change to the XML schema underpinning the market messages, there may be a need for Data Transfer Testing and/or Inter-Participant Testing. In these cases, following consultation on support arrangements, this will be discussed, and the approach agreed, with the appropriate industry body (IGG, TAG).

This approach will also be applied to provide assurance on changes made to central systems, for example data aggregation. However this will be based on the nature, scope and complexity of the change.

[2] The Commission has appointed ESB PES as SoLR for a period as set out in the Commission's decision paper: Supplier of Last Resort in Electricity (CER/06/006, Feb. 2006).

The Table below illustrates the general relationship between the nature of market change and the necessary assurance. It is stressed that these are examples for illustration.

Table 1. Illustration of market change assurance requirements

Examples of Change	Typical Impact on Market Assurance required			
	Assurance of ESBN	**Exchange of test messages**	**DTT**	**IPT**
Change to MPCC	Yes	Yes	• No	No
Change to Readings Processor	Yes	No	No	No
Change to XML Schema: new market message	Yes	Yes	Yes	Yes
Change to XML Schema: new field on existing message ex ESBN	Yes	Yes	Yes	Unlikely
Change to XML Schema: new field on existing message ex supplier	Yes	Yes	Yes	Likely
Change to Webforms	Yes	No	Yes	Possible
Change to MPD processing on Market System (SAP) No schema change.	Yes	Yes	Yes	Likely
Data Aggregation	Yes	Unlikely	Unlikely	Unlikely
DUoS processing change	Yes	Unlikely	Unlikely	Unlikely

3.5 Re-Qualification for Existing Participants

The procedures and systems used by market participants to operate in the market will, of course, be subject to change from time to time. This could be as a consequence of a change to the market design and the assurance approach to this is described in the section 3.3. Most changes, though, would be for the company's own business purposes. Where such a change impacts on their ability to inter-operate in the Market (e.g. if there is a change to the software that generates registration messages) there may be a requirement for some level of assurance that the change has been managed in such a way that the risk of an adverse impact on the Market has been minimised. This assurance process is known as Re-Qualification.

The approach is similar in nature to that described above for market design changes. Thus, the assurance will comprise checking that the market participant has carried out an impact assessment for the change, designed the change(s) and subjected them to independent internal review, implemented and tested them and planned for their introduction into the live market. Where Inter-participant testing is required, this is supported by a central test service, which is provided by RMDS and is available coincident with pre-planned market testing or otherwise at about a month's notice. Many changes will not require this type of testing and the assurance for most changes can take place at any time.

The table below illustrates some typical changes that may arise in the Market. It also shows the likelihood of an impact on Participants' ability to continue to comply with their Market Design obligations and therefore the likelihood that independent assurance by the Assurance Body will be required. It is stressed that these are only examples and are intended to assist Participants in their own assessment of whether a change that they are intending to make is likely to require a Re-Qualification.

Table 2. Illustration of Re-Qualification assurance requirements

	Typical Impact on Market Obligations and Likelihood that Independent Assurance is required		
Examples of Change	**Not Likely**	**Possibly**	**Very Likely**
System Change	Change to non industry-facing system (e.g. pure billing system)	Significant change to industry-facing system	
		Replacement of industry-facing system with established, proven system	Replacement of industry-facing system with a new, unproven system.
	Change to user interface		Replacement of MPCC with other message interface mechanism
	Bulk migration of industry data using industry processes		Bulk migration of industry data but not using industry processes
Process Change	Process updates for improvement of accuracy and clarity	Manual process replaced by automated process (industry-facing)	Multiple manual processes replaced by automated processes (industry-facing)
	Minor process change to reflect changing reporting structure or internal company policy		Major rewrite of process
Staff Change	Routine staff changes and associated intra-company re-organisations	Staff changes due to acquisition of new company	Relocation requiring total staff replacement
Threshold[3]	Increasing level of activity within the threshold	Activity oscillating around the threshold (say within 10%)	Planned growth that will result in activity permanently in excess of the threshold

[3] For Small Suppliers only

4. Governance

4.1 Approval of Assurance Processes

The assurance processes comprise this Assurance Strategy and a number of documents that support it. The strategy and all of the supporting documents will be available to all market participants via the RMIG website (www.rmig.cer.ie). The authorisation of the CER is required for documents to be included or updated on the RMIG website.

Responsibility for maintenance of the assurance processes rests with the Assurance Body, to whom requests for clarification should be addressed. Contact details are included in Appendix B.

The review and approval process for assurance documents is as for market design documents and changes. This includes the opportunity for all market participants to comment on a document or changes to it, and for the IGG to recommend a course of action. Authorisation of a document's deployment is the responsibility of CER.

The change process for assurance documents is the same as for market design documents. Any market participant may raise a change request; this will be circulated to all market participants and will be discussed at the IGG. Authorisation for changes is the responsibility of CER.

4.2 Approval of Assurance Operations

On completion of, and at specified points within, the assurance processes described in section 3, approval will be needed for a market participant to continue to the next stage of assurance or to exit the assurance process. The approval body is, in all cases, the CER.

The Assurance Body will prepare reports at each of the approval points, containing recommendations to the CER, who will determine whether to approve or disapprove the participant.

An approval may be subject to conditions as seen fit by the CER. The participant is required to provide to the CER (through the Assurance Body) any reasonable information required to monitor compliance with such conditions and in order to determine when the conditions may be lifted.

Any approval given is limited to the market sector(s) for which assurance has been satisfactorily completed and for which CER has specifically given its approval. Market participants must complete the appropriate assurance and be approved for any additional market sectors in which it wishes to operate.

CER may, after consultation with established market participants, establish a new committee or empower an existing committee, comprising representatives of the market participants, to carry out the role of Approval Body. CER may also, at any time, revoke this.

4.3 Market Participant Obligations

Market participants are obliged to comply with the market assurance processes.

New entrants to the Market may not commence trading until they have completed the necessary assurance processes, as set out in summary in this document and more fully in the supporting documents.

Already-active market participants are obliged to comply with the market assurance processes as they apply to them when:

- They wish to commence trading in a market segment for which they have not already completed assurance. Already-active market participants may not commence trading in a sector for which they have not completed assurance until they have completed the necessary assurance processes for that sector
- They plan to make a material change to their business processes and/or supporting systems. A material change is a change that is of such a nature or scale that its introduction into the live market would pose a risk of disruption to the Market.
- A change to the market design is to be implemented. Such changes may involve both the central organisations and suppliers in making changes or may be confined to one or a subset of organisations. The assurance for such changes will be determined on a case by case basis in line with the principles of this strategy.

Where a new entrant or an existing market participant fails to satisfactorily complete the applicable assurance processes the Assurance Body will inform CER who will make a judgement and determine a course of action.
Where an existing market participant fails to undertake applicable assurance processes (for example Re-Qualification or prior to entering a new Market Segment) CER will determine the action to be taken.

5. Reporting

There are several strands of reporting covering:

- General updates on assurance activity and changes to the assurance process;
- Assurance of market design changes or changes to the market infrastructure components; and
- Assurance of a new entrant, market participant entering an additional market sector and local changes to a market participant's systems.

5.1 General Updates

General updates on assurance activity will be given to the IGG. These reports will contain no information of a confidential nature and will focus on:

- Scale of activity with respect to new entrants, existing participants' assurance for new market sectors, and material changes being made to their systems by market participants;
- Assurance plans, progress and status report for market design changes; and
- Plans and progress for changes to the assurance process itself.

5.2 Reports to CER

As authorising body CER will be kept informed of the progress being made by named new entrants and existing market participants undertaking assurance activity. In particular CER will be provided with a copy of the detailed stage reports required by them in order that they may:

- authorise completion of an intermediate or final stage of assurance for a market participant; or
- make an informed go/no-go decision on cut-over for an update to the market design.

5.3 Reporting to the RMDS

The RMDS will be kept informed of all assurance activities including progress through the assurance process for:

- new entrants;
- existing participants entering additional market sectors;
- small suppliers participating in additional assurance due to growth;
- existing participants making material changes to their systems; and
- the implementation of market design changes.

5.4 Reporting to ESB Networks and MRSO

In order to ensure the various market level activities in which new entrants and market participants are involved are co-ordinated, ESB Networks and MRSO are kept informed by RMDS and the Assurance Body of requirements for them to support new entrant and existing participant plans and the assurance approach for them. In particular, they will be kept informed of the date a new entrant plans to commence trading and in what market sectors, the implementation dates for material changes being developed by market participants and any plans for Inter-Participant Testing. Information of a commercial nature will not be shared in this way.

Appendix A

Definitions

- Generator – Refer to CER website (www.cer.ie) for definition.

- Large Supplier – A supplier that has, or intends to have within the foreseeable future, more than 200 metering points registered or more than 10MW power supplied at peak demand.

- Self-supplier – An autoproducer supplier that supplies only the autoproducing site and does not intend to compete for other customers or supply other meter points within their own company.

- Small Supplier – A supplier with up to 200 metering points registered or up to 10MW power supplied at peak demand and intends to work within these thresholds for the foreseeable future.

Appendix B

Contacts

Commission for Energy Regulation:	+353 (0) 1 4000 800
Retail Market Design Service	+353 (0) 1 618 9510
Gemserv	+44 (0) 20 7090 1000
ESB Networks Manager	+353 (0) 1 676 5831
MRSO Manager	+353 (0) 1 676 5831
Eirgrid	+353 (0) 1 702 6685 (Business)
	+353 (0) 1 702 6081, 7440 (Technical)