























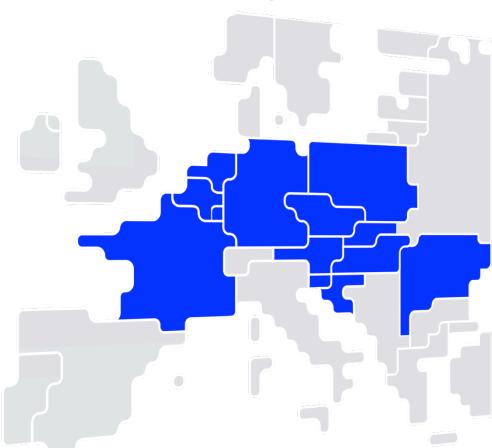


TR⊼NSNETBW



Core Consultative Group meeting

10th of April 13h30 – 17h00 CEST Munich Airport Novotel Hotel



Agenda Core Consultative Group meeting



| | SUBJECT | WHO | TIMING |
|---|--|------------------------------|---------------|
| 1 | Welcome and introduction | C.PFLANZ | 13:30 – 13:40 |
| 2 | Status update and developments in Core CCR | C.PFLANZ | 13:40 – 14:00 |
| 3 | Redispatch & Countertrading • Status update on RD&CT • Exchange on the paper received from MPP / EFET on RD&CT • Q&A | G. MAES | 14:00 – 15:00 |
| 4 | Core DA and ID FB CCMs Core NRAs' Request for Amendment Status update on the amendment of the CCMs Presentation by MPs on Core DA & ID FB CCMs Q&A | Core NRAs C.ZIMMER MPs | 15:00 – 16:30 |
| 5 | AOB & Closure | C.PFLANZ | 16:30 – 17:00 |





Core TSOs welcome all Market Participants, representatives of associations, NRAs and NEMOs to the Core CG meeting in Munich.

Objective for today's meeting:

- Inform CCG participants on the recent developments in the Core CCR, amongst others:
 - 。 RD&CT
 - Amendment of the Core DA & ID FB CCMs
- Discussion on the above mentioned topics, based on input from NRAs & MPs
- Core TSOs welcome questions and interaction!

2. Welcome & introduction

C.PFLANZ

Update developments Core

| Network Code/ Guideline | | Art. | CCR Obligation* | NC/GL milestone delivery method | |
|----------------------------|---------------------------------|------|--|---------------------------------|--|
| | Day ahead | 20.2 | Common Capacity Calculation Methodology for DA | Sept 2017 - | 1) RfA received from NRAs for DA & ID CCMs 2) No methodologies submitted in March |
| | | 27.2 | Setting up Coordinated Capacity Calculator | Jul 2018 | |
| | Intraday | 20.2 | Common Capacity Calculation Methodology for ID | Sept 2017 - | |
| | | 27.2 | Setting up Coordinated Capacity Calculator | Jul 2018 | |
| | Re dispatch & Countertrading | 35.1 | Proposal for a coordinated RD & CT | March 2018 - | |
| CACM | | 74.1 | Proposal for RD&CT cost sharing | March 2018 | |
| | | 74.7 | Further harmonize re dispatching and countertrading cost sharing methodologies with other CCRs | Dec 2018 | |
| | | 35.3 | Report assessing the harmonization of coordinated RD&CT | March 2018 | 3) Amended |
| | General | 44 | Fallback procedures for DA FB MC | May 2017 | procedures submitted to NRAs 4) Amended |
| | | 80.4 | Proposal for sharing regional costs (#NEMOs and TSOs cooperating in a region) | 2017 | |
| | Long Term | 31.3 | Regional design of LTRs in CCRs where LTRs exist | Apr 2017 | proposal submitted |
| | | 10.1 | Common Capacity Calculation Methodology for LT | Sept 2018 | to NRAs 5) Work initiated on LTCC methodology |
| FCA | | 16.1 | Methodology for splitting LT capacities | Sept 2018 | |
| FCA | | 21.1 | Operational rules for merging the individual grid models | Jun 2018 | |
| | | 42 | IF PREFFERED by TSOs: alternative coordinated fallback solutions | Jun 2018 | |
| | | 21.2 | Operational rules for coordinated capacity calculators | Sept 2019 | |

^{*} The obligations shall take into account all potential bidding zone configuration, amongst others the DE-AT border * Regulatory procedures can delay some of the deadlines

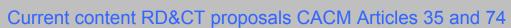




- Meet NRAs expectations and ensure higher chance of having a compromise and approval of methodologies
- Ensure consistency with other methodologies due to the several dependencies
- Ensure time to discuss many sensitive topics, thoroughly considering the impact:
 - o CACM Art. 35: Cross-border relevance, resources for redispatching and countertrading, scope of optimization
 - o CACM Art. 74: Requester share, Prioritization of flows, Experimentation results, Cross-border relevance
- Allow time to perform quantitative analysis

However Core TSOs have been progressing and defined a framework for the methodology on RD&CT as well as cost sharing and are currently preparing proof of concept simulations for different cost sharing methodologies

- During this process and in discussions with NRAs major issues were identified, requiring further analysis and clarifications to provide basis for approval.
- Some of these issues have a strong interdependency with other methods and decisions which are not yet available that could require an alignment with the respective timelines
- → On the next slide, an overview is provided of the current content of the proposals for CACM obligations 35 and 74





- Description of the different options of cross-border relevance for cost sharing
- Description on how different practices of countertrading and redipatching can be included is defined in the methodology
- Description of coordinated redispatching and countertrading process with timeframes for redispatching and countertrading application
- Description regarding provision of data:
 - Description of which kind of available redispatching & countertrading have to be delivered depending on coordination process step and kind of optimization
 - Description of the process to get prices and volumes for optimization (firm prices, update prices...)
- Description regarding detection and coordination and activation:
 - links between article 76 and article 35 (cross-border and non-cross-border relevant actions)
 - interaction of trading and redispatching in intraday timeframe
 - Countertrading process including scheduling and Redispatching process including scheduling

CACM Art. 74

- Description of interactions with other methodologies
- High level description on how costs can be shared by causation principle
 - High level description of options how to include requester share (pro/con arguments)
 - High level description of options how to socialize costs deriving from neighboring CCRs
- Mapping of costs to CNE
 - High level description of two methodologies including example
- Decomposition of flows
 - Based on experimentation results, show examples of extreme situations
- **Prioritization of flows**: Present first comparison of approaches to NRAs (description and rationales)

Approach for further development RD&CT methodologies

Core TSOs proposed the following approach to Core NRAs, ACER and the European Commission:

- Both methodologies (CACM Art. 35 & 74) will be submitted at the same time and aligned with SO GL Art. 76 in terms of content and timing
- The submission will be done after performing quantitative analysis based on experimentations in order to have clearer estimation of costs
 - o Pragmatic approach, similar to the FB DA internal parallel run one: starting parameters will be defined by Core TSOs
 - With this approach, higher chances for clearer definitions in the common methodologies

Consequently, Core TSOs aim at

- Delivering an intermediate report to Core NRAs in May 2018 with the objective to:
 - o Inform Core NRAs on the status of the methodologies being developed in order to increase the coordination & alignment with the NRAs (complex topics / educative aim) and to get first feedback from NRAs before starting preparation for experimentations
- Aligning with other relevant stakeholders such as market parties & associations
- Launching the Public Consultation process for CACM Art. 35 and 74 by aligning with Public Consultation for SO GL Art. 76 →
 foreseen in Q2 2019

This would

- Ensure alignment with different stakeholders
- Allow to take into account the different dependencies as highlighted in the previous slide

→ Core TSOs are currently aligning with Core NRAs, ACER and the Commission on the way forward for the further development of the Core RD&CT methodologies

Status update on RD&CT Article 35

In accordance with CACM Art.35.1, Core TSOs are currently developing the coordinated RD & CT methodology. Please find below an overview of the points included in the "Core RD & CT Methodology":

| Whe | ereas | . 3 |
|-----|--|-----|
| | Title 1: General Provisions | 5 |
| | Article 1 Subject matter and scope | 5 |
| | Article 2 Definitions and interpretation | 5 |
| | Article 3 Cross-border relevance of the redispatching & countertrading | 7 |
| | Article 4 Resources for redispatching | 7 |
| | Article 5 Resources for countertrading | 8 |
| | Title 2: Coordinated redispatching and countertrading process | 8 |
| | Article 6 Day-Ahead & Intraday Regular process | 8 |
| | Article 7 Timeframes for redispatching and countertrading application | 9 |
| | Article 8 Volume information, availability and exchange of data | 9 |
| | Article 9 Price information exchange | 10 |
| | Article 10 Detection and Coordination | 10 |
| | Article 11 Activation process of redispatching and countertrading | 11 |
| | Article 12 Fast activation process for sudden critical situation | 12 |
| | Article 13 Total Cost Calculation | 13 |
| | Article 14 Reporting | 13 |
| | Title 3: Miscalleneaous | 13 |
| | Article 15 Publication of the Core RD and CT Methodology Proposal | 13 |
| | Article 16 Implementation | 13 |
| | Article 17 Language | 13 |
| | Article 18 Confidential treatment of information | 14 |
| | | |

Dependencies with other methodologies and projects

Obligations stemming from CACM Articles 35 (and 74) are highly dependent on other methodologies that need to be developed and projects ongoing:

Consistency and alignment between Art. 35 & 74 CACM Regulation and Art. 75 & 76 **SO GL** → public consultation for SO GL Art. 75 has been initiated in February 2018, public consultation for SO GL 76 is foreseen in **March 2019**

- Output from SO GL Art. 75 needed (Level of coordination on remedial actions defined, scope of SO GL 76 clarified)
- Output from SO GL Art. 76 needed (Optimization principles & IGM pre-CSA defined, optionally coordination of remedial actions)

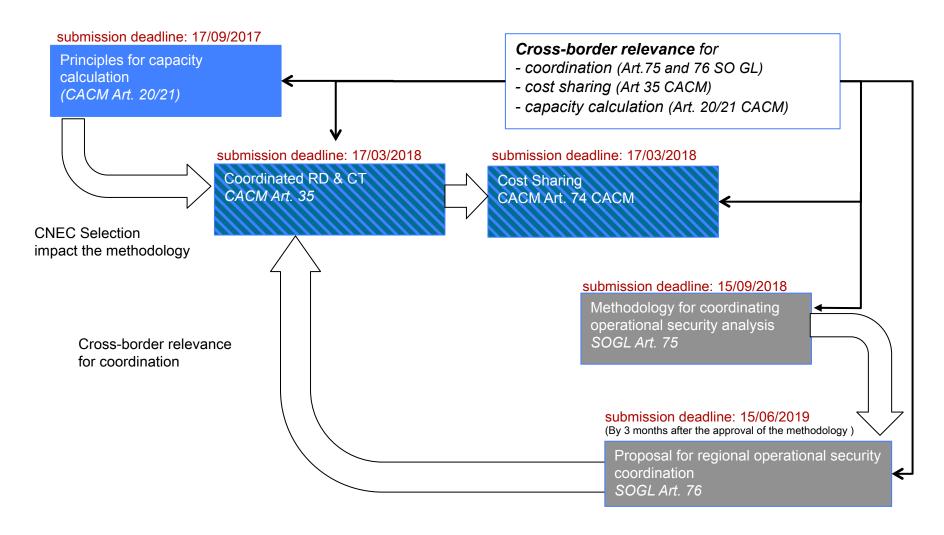
Dependency with **DA FB CCM** (CACM Art. 20), especially the principles for the selection of critical network elements

Dependency between CACM Art. 35 and CACM Art. 74

Output from CACM Art. 35 needed (cross-border relevance for cost-sharing and redispatching)

Zoom in: external dependencies regarding cross-border relevance

Alignment and consistency between all different Proposals is challenging as they have different submission deadlines

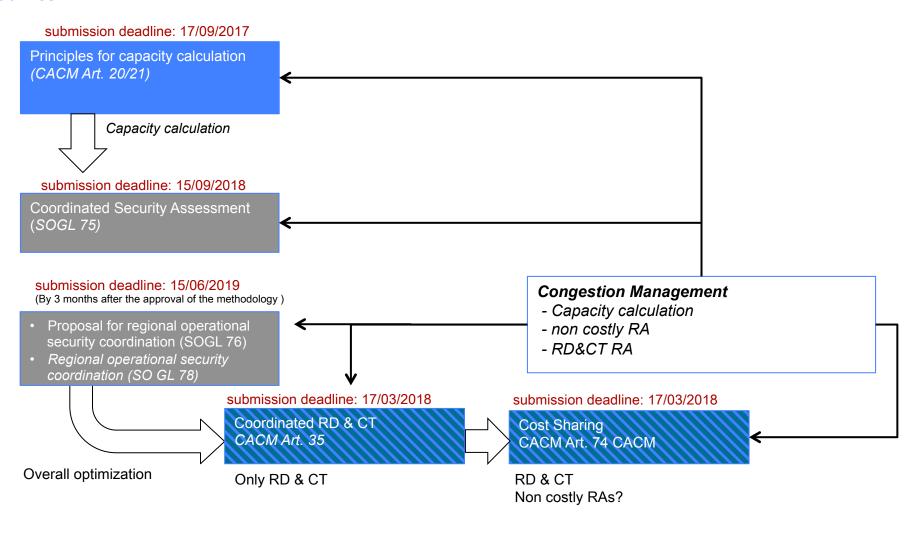


G.MAES



Zoom in: external dependencies regarding remedial actions

Alignment and consistency between all different Proposals is challenging as they have different submission deadlines





Exchange on the paper received from EFET/MPP/Eurelectric on RD&CT

In February, Core TSOs received a paper on countertrading and redispatching, elaborated jointly by EFET, Eurelectric and the MPP. This paper was in line with the discussion note received prior to the Core CG conference call in November.

- Objective of MPs is to be involved in the development of the RD&CT methodologies, since the topic concerns MPs assets & operations.
- MPs highlight the following points to be considered / answered:
 - How redispatching and countertrading on the one hand, and restrictions of cross-border capacities allocated to the market on the other hand are treated on an equal footing.
 - 2. How the scheduled exchanges, NTC/FB domain, and balance positions are simultaneously generated and handled by the relevant market and system operators.
 - 3. How the operation scheme ensures full transparency and conforms to Transparency (ex-post) and REMIT Regulations, in terms of how much redispatching and countertrading is activated.
 - 4. How open positions generated by redispatching or countertrading are to be counterbalanced in a market-based manner to deliver appropriate economic signals
 - 5. How actions on specific assets based on their location are remunerated.

Core TSOs have assessed the paper carefully and would like to share the enclosed answers with MPs, to be further discussed today:

201803 Core TSOs response to MPP RD & CT Paper FV.pdf

Q&A session

Coordinated RD & CT methodology







Reminder

Core TSOs have submitted the Core DA and ID common capacity calculation methodologies (Core DA&ID FB CCMs) to Core NRAs in September 2017

- Approval package sent to NRAs:
 - Proposal DA and ID: legally binding description of the methodology (for approval by NRAs)
 - Explanatory Note DA: detailed descriptions of the methodology (for information purposes only)
 - Consultation Report DA and ID
- All above mentioned documents can be found on the dedicated Core page on the ENTSO-E website
- Duration of the NRA approval process: 6 months

On 15/03, Core TSOs received a request for amendment (RfA) from the Core Energy Regulators Regional Forum (CERRF) for both the DA and ID FB CCM. The RfAs reflect the position of all Core NRAs.

- CERRF informed TSOs that formal decisions will be communicated by each NRA to their TSO(s).
- The amended proposals shall be submitted by all Core TSOs no later than **two months** following the request from the NRAs (being 04/06/2018, since last receipt of local RfA was on 04/04/2018).

Given the obligation to submit the amended CCM proposals on June 4th 2018, the delivery of the updated CCMs has highest priority for the Core TSOs.



CERRF request for amendment – Core DA & ID FB CCMs

Presentation by Core NRAs, see enclosed file:

RfA on Core DA and ID CCM (by Core NRAs).pdf



As communicated to MPs previously, it is highly challenging to develop a CCM within 10 months after the ACER CCR decision.

Core TSOs already concluded – also after discussions with Core NRAs – that it was too early to determine all details for the Core CCM in September 2017. Therefore, Core TSOs included the following approach in the CCMs to be able to develop a solid methodology:

- Process steps describing how to determine the final values & methods for e.g. CNEC selection, LTA inclusion, harmonized risk levels, RAO. These general processes will include descriptions on how to close and approve the open points;
- Provision of a "Core TSO Deliverable Report" in Q1 2018 describing detailed plans on how to finalize the open topics.

Core NRAs indicated they cannot approve sub-methodologies or methodologies that imply subsequent approvals or refer to additional deliveries and they do not consider the approach proposed by Core TSOs as feasible.

- Core TSOs discussed additional options for finalization of the CCMs and decided to change the approach, as communicated to NRAs in February:
 - Robust experimentation is stopped putting the focus on starting the internal parallel run as soon as reasonably possible.
 - Core TSOs will speed up tool development and defined starting parameters which will be confirmed during internal parallel run.
 - If internal //run results show an update of the values is required, TSOs will ask for an amendment of the Core DA FB CCM.
- Furthermore, TSOs are aligning with NRAs on prioritization of NRAs requests, to be able to deliver a method in June that meets NRAs requests.



The DA and IF FB CCMs and Explanatory Note are being updated, taking into account:

- 1. Methodological changes in the Proposals
 - o Starting parameters defined for FRM, GSK, minRAM, PTDF thresholds
 - Conclusive, unambiguous and enforceable methodologies to be included
- 2. Conceptual changes to the Proposal and the Explanatory Note
 - Detailed, consistent and CACM-compliant descriptions
- 3. Changes in structure and formatting are required

In a first exchange between TSOs and NRAs on the RfAs, one of the points discussed is publication of data:

| CCM | NRAs RfA | Core TSOs position |
|--------|--|--|
| n.a. | General request: add a description of the tool for MPs, in line with CACM 20(9) which enables MPs to evaluate interaction between cross-zonal capacities and cross-zonal exchanges between BZs. | TSOs will include a reference to CACM 20(9) and will make sure a tool is available for MPs. |
| Art.23 | Workshop mentioned in Article 23(3) to be organized in time for the amended proposal. Article 23(3) of this proposal shall be deleted and the respective templates shall be added as an appendix. Data-access point and the exhaustive list of all publication items shall be added to the proposal. All publication items in the amended proposal shall have information on the time of publication and the timeframe. | TSOs really consider this as an implementation topic and therefore proposed to NRAs to stick to the initial idea to have a workshop during the //run. By that time, TSOs can be more concrete and discuss and agree with MPs on fixed templates. In the CCM it is included that an agreement on templates / publication of data etc. will be reached no later than 3 months before the go-live window, however, TSOs are open to discuss exact timing and to agree on priorities. |

MPs are asked for feedback on publication of data taking into account above NRAs' requests and TSOs position

3. Core DA and ID FB CCMs

MPs



Presentation MPs

<input to be provided by MPs>

Q&A session

Core DA and ID FB CCMs







AOB?

Core TSOs thank all Market Participants, representatives of associations, NRAs and NEMOs for their participation in today's meeting

- Minutes of meeting will be published on the dedicated Core pages on the ENTSO-E website
- In alignment with the CWE project and MPs co-chair of the CCG, Core TSOs aim to schedule a new Core CG meeting in Q3 2018 and probably additional workshops in between (e.g. RD&CT, DA FB CCM publication of data)