



CEE TSOs' Status and Project Report

October - November 2015



Content

- ACER Opinion – Current Status from CEE TSOs' perspective
- Capacity Calculation Regions - Update
- Regular report on the CEE FB Capacity Calculation
- Joint Allocation Office (JAO) establishment
- HAR/DAR set up and yearly auctions 2016

ACER Opinion – Current Status

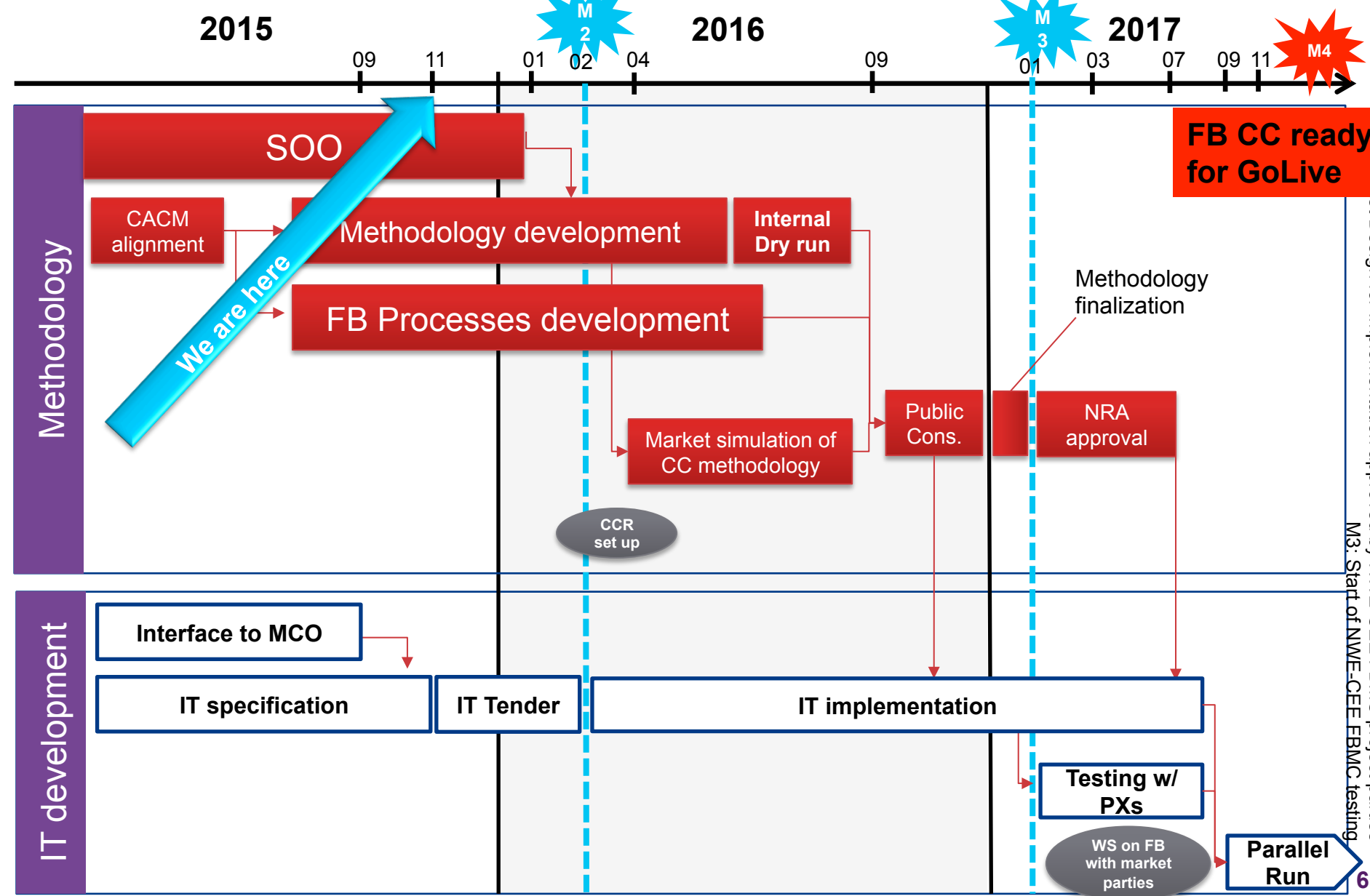
- 23 September 2015 ACER issued its Opinion, in which ACER invited CEE TSOs and NRAs, within 4 months (i.e. by mid of January 2016), to:
 - commit to the adoption of a coordinated Capacity Allocation procedure on the DE–AT border with a realistic but ambitious **implementation calendar with concrete steps**
 - evaluate whether the already implemented interim measures (e.g. virtual PST) are sufficient to ensure network security
- **CEE TSOs have already prepared the first draft of the Action Plan**
- There is no information that E-Control has changed its standpoint, i.e. E-Control considers there are more effective and efficient solutions. In case a NRA does not comply with ACER opinion after 4 months ACER can escalate to EC and MS.

Capacity Calculation Regions - Update

- On **29 October 2015**, the final *All TSOs proposal for CCRs* was agreed by qualified majority of TSOs
- The deadline for sending the proposal to NRAs is on **13 November**.
- „All TSOs“ agreed, with qualified majority, to:
 - 1) **Assign the DE-AT border in the CEE CCR** and successively, to the NWE-CEE FB CC Project
 - 2) **Begin with CWE and CEE as separate CCRs with a clear commitment to start the preparation of such merger → so-called „step by step approach“**
- CWE and CEE TSOs have already reactivated the CEWE cooperation group (kick-off meeting took place on 13 October). The second meeting is scheduled on 30 November.

Regular report on the CEE FB Capacity Calculation Implementation Project

I. CEE FB CC Roadmap – As presented at IG Meeting 1 June 2015



CEE FB CC - Current status

- **The Stream 1: SOO Step 2 on schedule and its final report will be available in December.**
- **The Stream 2: Final CEE FB CC concept on schedule.**
- **The Stream 3: FB CC IT implementation has slight delay due to later establishment of CEE ITG.**
- CEE TSOs WG FBA and CEE ITG have regular weekly conference calls to meet the deadlines and fulfil the CACM goals



Stream 1: SOO Step 2

Status Report → September 2015

- **Pre-coupling phase - FINALIZED**
 - Acknowledgment of the report by the HLM is in progress
- **Coupling phase – IN PREPARATION FOR FINAL APPROVAL**
 - Market coupling simulations using fundamental market model for year 2014 data set, all scenarios:
 - CEE TSOs and TUD are in final stage of discussions and clarifications of the findings presented by the TUD in their preliminary report as of 15.09.2015.
 - The updated report was sent to CEE TSOs for final check **in the first week of November.**
- **Post-coupling phase – IN PROGRESS**
 - Calculations are finalized
 - Processed final results will be presented to the TSOs relevant WG **by mid November.**



Stream 2: Final CEE FB CC concept

Status Report → October

- CEE TSOs continued the work focusing on **Priority 1 in finalization of CEE D-2 FB CC** – to assure it's compliancy to CACM GL.
- Improvements from the **Priority 1** will be implemented in the PRELIMINARY CEE FB CC concept that will be submitted to HLM for acknowledgement at the **beginning of January 2016**.
- In parallel to concept development, CEE TSOs are continuously working on improving the input data.



Stream 3: FB CC IT implementation Status Report → October

- According to the CEE FB CC Project roadmap (harmonized with the NWE-CEE FB MC Project), TSOs' business and IT experts are focused on assessment of the MRC external interfaces to capacity calculation.
- Final assessment of the external interfaces is expected by the end of 2015.
- In mid-October, CEE TSOs started to perform comparative assessment of CWE CC and CTDS CC tool and IT.
- There is a slight delay caused by the late establishment of working group responsible for FB CC IT implementation

Joint Allocation Office (JAO) establishment



Transition from CAO to JAO

- **Merger of CAO and CASC in force as of 01/09/2015 → JAO**
 - Contracts between CAO and CEE TSOs automatically transferred to JAO
 - Closure of operations in Freising planned at the end of 2015
 - Full office closure foreseen at the end of March 2016
- JAO, as a joint service company of 20 TSOs, will mainly perform the yearly, monthly and daily auctions of transmission rights on 27 borders in Europe and act as a fallback for the European Market Coupling.
- The establishment of JAO is considered by CEE TSOs as a major milestone for facilitation of the internal electricity market in the EU.

HAR/DAR set up and yearly auctions 2016

HAR/DAR set up and yearly auctions 2016

Long-term and daily allocation rules: Status

- Long-term allocation rules: EU HAR – APPROVED by all parties
- Daily allocation rules for CEE: NOT APPROVED YET
 - The approvals of APG, MAVIR and HOPS are missing. From MAVIR's side, the approvals are expected until 13 November, from APG and HOPS until 18 November

Service Implementation for capacities with delivery period 01/01/2016 and later

- Start with yearly auction 2016 in November 2015
- **On 6 November**, JAO launched the registration of market participants (participation and financial agreement) and published consolidated [EU HAR](#)
- For daily auctions, the registration will be realized through Annex to the Participation Agreement as soon as the rules are approved by all parties
- IT implementation and tests with TSOs / market participants are ongoing
 - For long-term auctions – tests still ongoing
 - For daily auctions – tests are scheduled to take place end of November (beginning of December)

Summary

- **CEE TSOs' FB Capacity Calculation Project is still on track.**
- **On 29 October**, TSOs by qualified majority reached an agreement on the **TSOs proposal for CCRs and agreed to:**
 - 1) **Assign the DE-AT border to the CEE CCR** and successively, to the CEE FB CC Project
 - 2) **Begin with CWE and CEE as separate CCRs** with a clear commitment to start the preparation of such merger → so-called „step by step approach“
- **CWE and CEE TSOs have reactivated the CEWE cooperation group** in order to get and assess all information needed for future merger of the CEE and CWE CCRs
- **CEE TSOs have already prepared the first draft of the Action Plan**
- **CEE FB CC terms, conditions and methodologies to be update** accordingly to all TSO voting and action plan