

NC ER implementation: Principles for suspension and restoration of market activities

Europex initial comments

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Association of European Energy Exchanges



1. Key messages

- **Clear justification for suspension:** The guidance should take into account that suspension of market activities has significant consequences and needs to be robustly justified. In many cases, suspending trading for the following day may not be necessary and may also be detrimental.
- **Cross-border aspects:** Market suspension is not only a national issue – there will be cross-border consequences for coupled day-ahead and intraday markets.
- **Stakeholders:** NEMOs, delegated operators and market participants may have operations suspended by TSOs, and should therefore also be included in any expert group from the start.

2. Specific questions (1/2)

We are concerned that the implementation guidance (slide 5) goes beyond the explicit requirements of the NC ER.

- Is it clear that all or any of these market activities would have to be suspended? Imbalance Settlement shall be solved separately. For example, a TSO might propose (and under Article 39 this an individual TSO competence) specific rules for imbalance settlement in case of suspension of market activities.
- Under Articles 36(1) and 39(1) individual TSOs must make proposals by 18 December this year so cannot await ENTSO-E guidance. So how is the guidance to be used?
- Why does ENTSO-E guidance focus on Article 35(2)(f) alone (other market activities) when it should cover all of 35(2) if the desire is to harmonise the TSOs' approach?
- NC ER 35(2)(f) states that the activities must be ones that are 'deemed necessary to preserve and/or restore the system'. The guidance should ensure that any suspension of activities must be fully justified and that the underlying assessment takes into account stakeholders' views.

3. Specific questions (2/2)

Why is settlement is out of scope (slide 3) and then included in the general guidance (slide 5)?

- The NC ER does require specific proposals for settlement in Article 39, but on a national basis by each TSO individually.

We would appreciate more information on the NC ER ‘expert group’:

- Does it include experts from NEMOs and delegated operators whose operations may be suspended by the TSOs?

Further clarification of the process:

- As noted earlier, national proposals have to be made by 18 December 2018, so:
 - What is the purpose of the ENTSO-e guidance?
 - Will the draft guidance be public and subject to consultation at European level?
 - How will the final guidance be approved and will it be public?
 - What obligation will each TSO/other stakeholder have to follow that guidance?