

# EURELECTRIC's views on the draft HAR

***ENTSO-E's HAR SG  
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## General remarks

- EURELECTRIC welcomes the early implementation process for the harmonisation of allocation and nomination rules and the work done so far by ENTSO-E on the HAR.
- To bring benefit, this early implementation process should **strike a balance between the current firmness regime and the common target provisions** based on best practices and ACER recommendation.
  - For sure, HAR and annexes shall represent **no step back compared to current firmness regime**.
    - HAR should contain the common target provisions based on best practices and ACER recommendation.
    - Border-specific annexes could potentially contain local exemptions, as a compromise.
  - But **some steps to move towards common target provisions shall be made** too, otherwise the process is pointless!
  - **Further integration of wholesale markets across all timeframes should be achieved** – harmonisation seems “easier” to achieve in the forward timeframe than in the DA/ID/BAL timeframes where operational constraints are much stronger.

# Key improvements needed on draft HAR

- For EURELECTRIC, the following elements seem crucial to be included in the final HAR:
  - **Emergency situations are not Force Majeure events;**
  - **The notion of “Long Term Firmness Deadline” should be removed:** rights should be physically firm after nomination deadline and financially firm before. In case they have to be curtailed, they are either bought back or compensated at the DA price spread.
  - **Except in case of Force Majeure, compensation at the price spread should clearly be the target, with a commitment to progressively remove caps (even monthly ones) at all borders.**
  - **Credit rating/bank guarantee requirements:**
    - The credit rating level should be the same across all interconnectors and should not be decided only among TSOs.
    - Further discussions are needed on this issue, involving NRAs. ACER’s suggestion to make an overview of the current situation to help make an informed decision/compromise is thus welcome.

# Positive evolutions in latest draft HAR

- EURELECTRIC welcome some positive evolution in the latest draft:
  - **No longer discrimination between nominated and non-nominated PTRs for curtailment.** *However, the meaning of the following sentence “and if the capacity has not been reallocated in the day-ahead allocation” should be clarified.*
  - **Introduction of a review of the annexes every two years.** *However, Registered Participants should be allowed to propose amendments.*