

EURELECTRIC's views on the draft HAR

*HAR stakeholder Advisory Group
meeting 14 January 2015*

EURELECTRIC views

EURELECTRIC welcomes the draft HAR and the work done following the stakeholders' kick-off meeting last November. Our main comments are:

- No provision has been included to avoid that the firmness regime harmonisation do not lead to a step-back on some borders. 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.
- Strive for harmonisation: in the mid-term, aim for a reduction (or even elimination) of border-specific annexes and adopt uniform nomination rules across Europe within the scope of this project.
- Increase firmness 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.
- Compensation at the price spread should be the rule, with a commitment to progressively remove caps (even monthly ones) at all borders.

EURELECTRIC views

- Emergency situations are not Force Majeure events.
- Products should progressively be made standard. Standard products are easier to price, will foster liquidity in the secondary market and leave the TSO the freedom to optimise (reschedule) the maintenance.
- Bank guarantees should be less strict, at least regarding the bank ratings.