



Bringing CACM and FCA Guidelines in the Energy Community

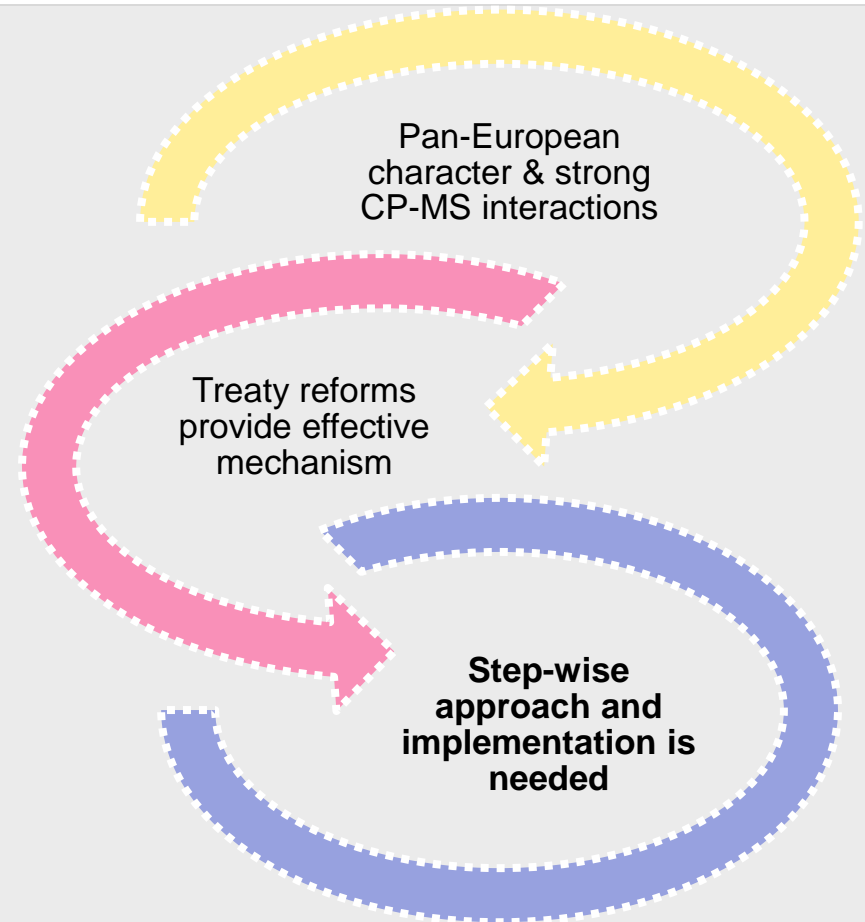
Arben Killokoqi, Energy Community Secretariat
Athens Forum 16-17 June 2020

Background of previous discussions

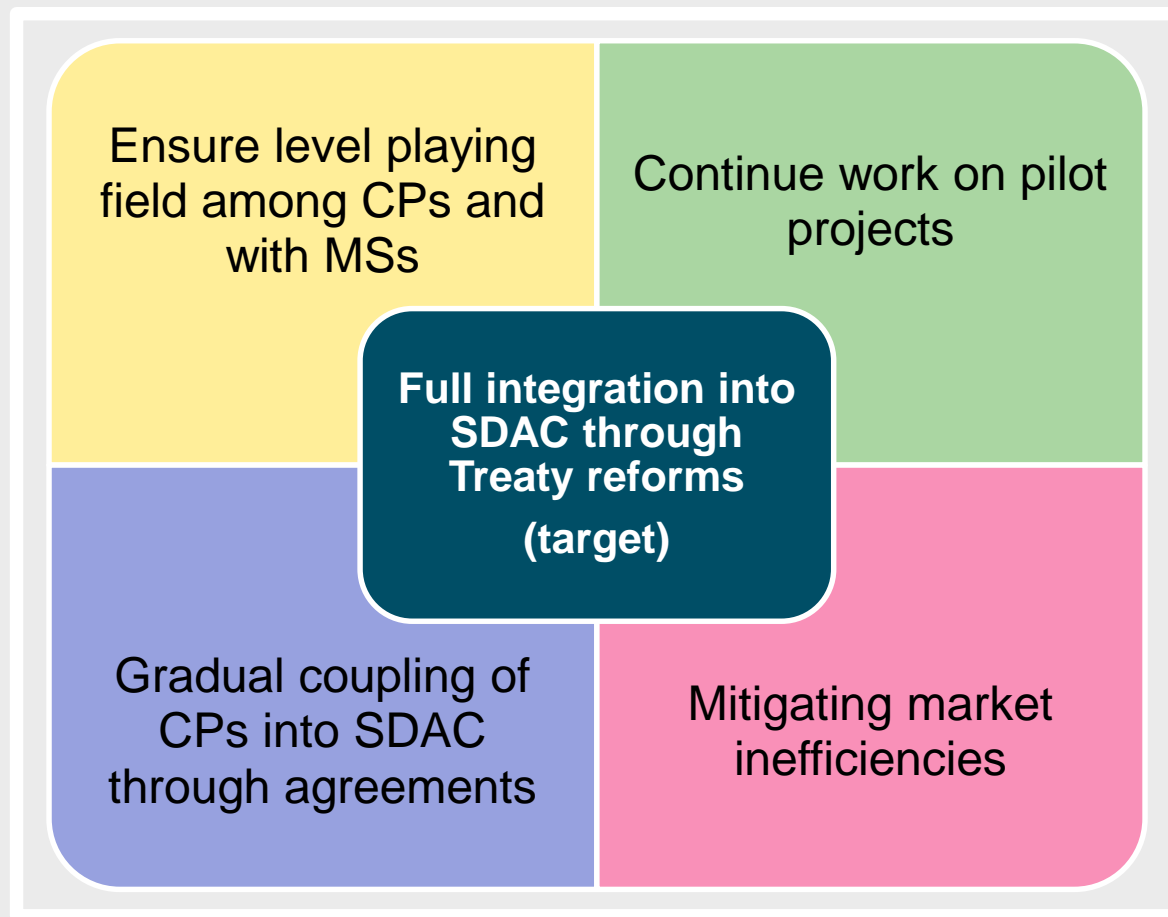
Pan-EU market coupling is a priority – expected Q1 2021

Two key challenges for coupling CPs into SDAC:

1. Reciprocal application of requirement between MSs and CPs – switch on mechanism
2. Regulatory approval – empowering ACER to take decisions for CP NRAs in case of disagreement on methodologies, terms or conditions that have to be developed pursuant to the network codes.



Important criteria in achieving the target



Path towards market coupling



EU CACM & FCA

- Coordinated capacity calculation
- Market coupling
- Coordinated forward capacity allocation

- ACER - regulatory decision
- NEMO designation
- TSOs national requirement for coupling and capacity calculation

Implementation of Treaty reforms

Bilateral/Regional agreements

- Pan-European coordination on capacity calculation
- Market coupling between of CPs into SDAC
- ACER

- Regional CCRs, incl. CP-MS
- Market coupling between CPs-MS
- ECRB

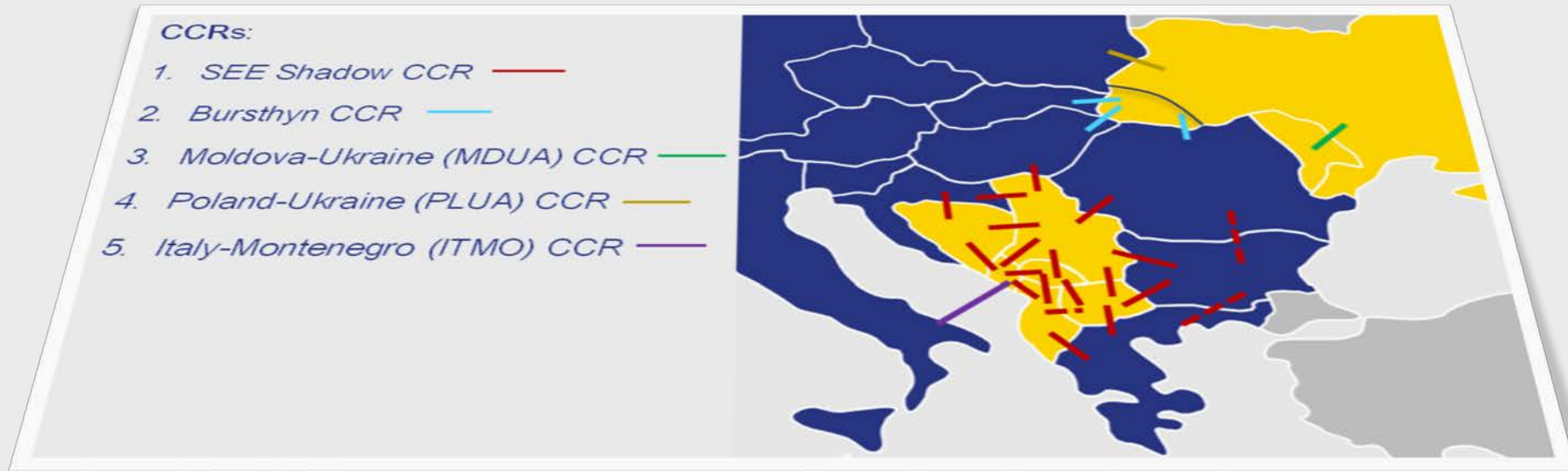
Adapt CACM & FCA for CPs (Title II)

- Market coupling between CPs
- Coordinated forward capacity allocation

- ECRB empowered with regulatory decision powers
- NEMO designation
- TSOs national requirement for coupling and capacity calculation

Coordinated Capacity Calculation

- First step is defining the CCRs (which include CPs and MSs)
 - MSs should be integrated via regional agreements to establish the CCRs and be part of the regional processes designed under the adapted CACM/FCA for the borders CP-MS
 - **CCC methodology should include 70% requirement from CEP**

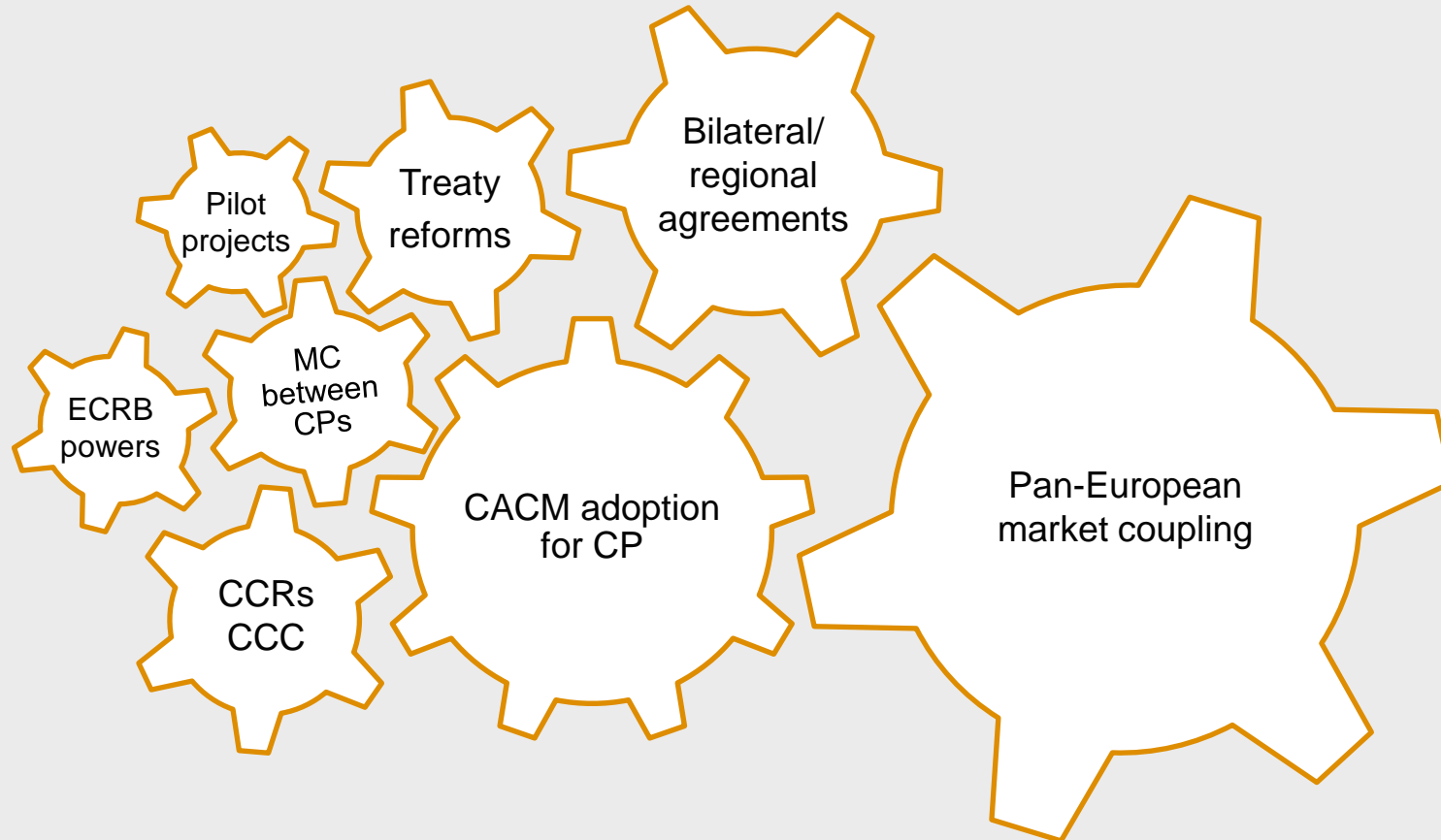


DAM coupling

- Ensuring a path towards coupling in SDAC
- Until Treaty amendments (reciprocity and ACER mandate) are effective, a separate process designed for CPs on all borders should be utilised - algorithm closing at [10:15]
- Border with CP-MS, through bilateral arrangements should:
 - Join into the SDAC
 - Transition on CP-CP borders: CPs will apply two DAM fixing, 1 coupled on borders with CPs at [10:15]; and 1 coupled on borders with MSs on 12:00
 - Fall-back, join the coupling with CPs
 - MSs will apply two DAM fixing, 1 coupled on borders with CPs at [10:15]; and 1 coupled on borders with MSs on 12:00
 - Move from explicit allocation
- On IDM, coupling through auctions with potentially complementary continuous explicit allocation until full integration into SIDC

FCA & single allocation office

- FCA Regulation adapted under Title II
- Forward Capacity Allocation
 - Using HAR complemented with regional/border annexes
 - For CP-MS borders this will be through bilateral arrangements
 - Existing situation, but with bidding requirements for CPs to use the single allocation platform
- Single allocation office defined for all CP-CP border
 - Optional for MS-CP borders
 - **Until full integration into single pan-European process**







Thank you!

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