

Update on market coupling pilot project Contracting Party (ME) – Member State (IT)

Vienna

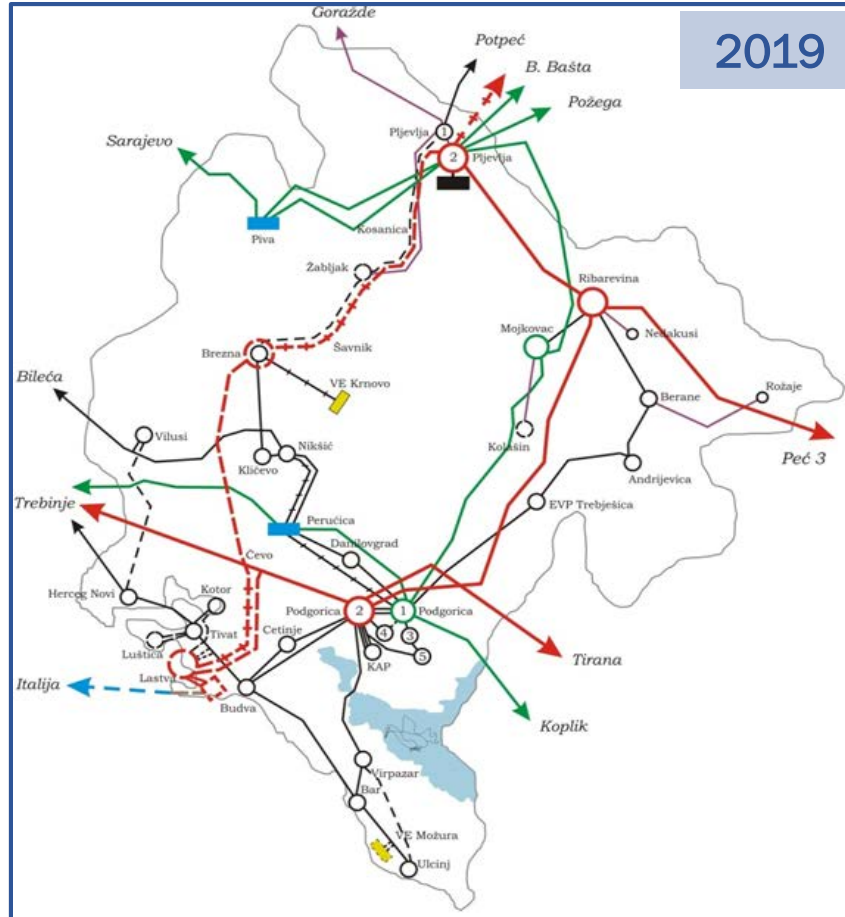
5 November 2019

INTERCONNECTION CP (ME) - MS (IT)



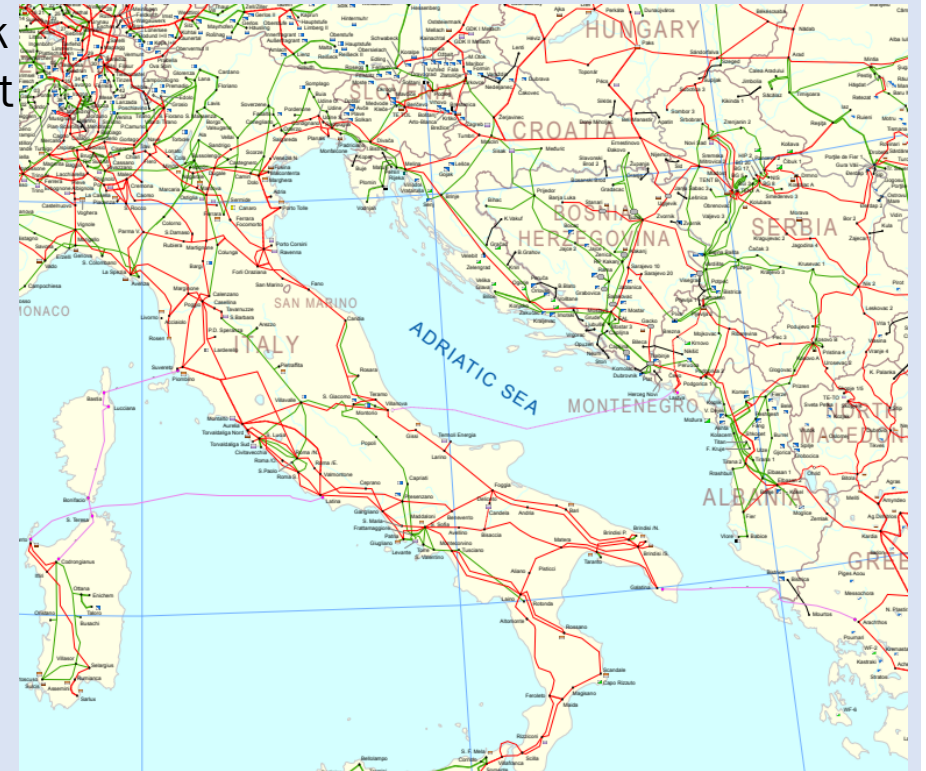
- Transmission system and interconnections
- Institutional set-up
- Regulatory-legal framework
- Commercial operation of CP(ME) – MS(IT) interconnection
- Conclusions

TRANSMISSION SYSTEM AND INTERCONNECTIONS



MONITA

- bipolar HVDC link
- 1 bn€ investment
- Phase1:
 - ✓ 600MW
 - ✓ 423 km (coast to coast)



INSTITUTIONAL SET-UP



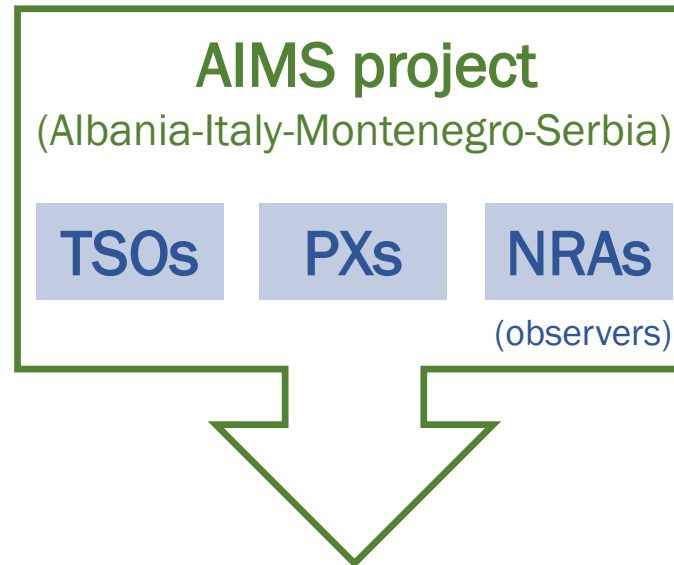
REGULATORY-LEGAL FRAMEWORK



MONTENEGRO

- Third Energy Package
- CACM & FCA adaptation on EnC level ongoing
- EnC Treaty reform ongoing
- ECRB Recommendation on NEMO nomination (early implementation activity)
- ECRB Recommendation on CCC (early implementation activity)

2019



ITALY

- Clean Energy Package
- CACM
[Commission Regulation (EU) 1222/2015]
- FCA
[Commission Regulation (EU) 2016/1719]

COMMERCIAL OPERATION OF CP(ME) - MS(IT) INTERCONNECTION



✓ TSOs informed NRAs about the open issue related to Allocation Platform

✓ Public Consultation

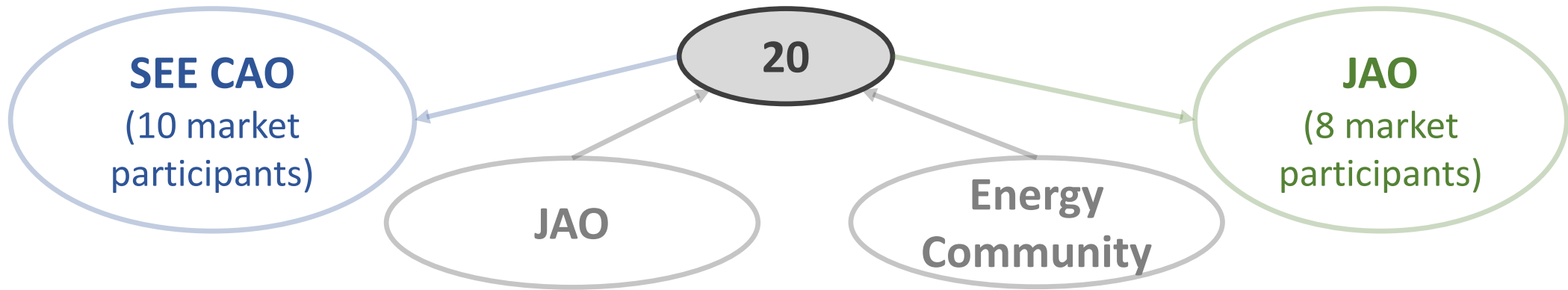
1 July – 31 July 2019

- Rules for Forward Capacity Allocation ITA-MNE
- Rules for Daily Capacity Allocation ITA-MNE

“[with JAO as Allocation Platform]...

[with SEE CAO as Allocation Platform... “

COMMERCIAL OPERATION OF CP(ME) - MS(IT) INTERCONNECTION



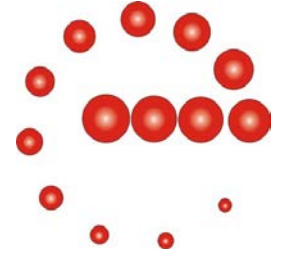
Nov 2019

Market participants seem to be in favour of the auction office they are already operating with

Separate allocation by two different platforms is not desirable

SEE CAO policy of accepting bank guarantees from lower rated banks (BBB-) may facilitate a wider participation of market players from the Energy Community

CONCLUSIONS



- ✓ Transposition of CACM & FCA provides legal certainty
- ✓ Early implementation and regional initiatives tools for progressing in coupling process
- ✓ CACM & FCA principles to be respected and applied

Thank you for your attention!

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