

# Overview of the terms and conditions or methodologies of the CACM Regulation

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**Pavel Svoboda** 



# Terms and conditions or methodologies

All NEMOs	MCO plan	approved	-
	Back-up methodology (DA+ID)	approved	-
	Algorithm (DA+ID)	approved	re-opened
	Products (DA)	approved	-
	Products (ID)	approved	re-opened
	Maximum and minimum prices (DA)	approved	-
	Maximum and minimum prices (ID)	approved	-
All TSOs	Capacity calculation regions	approved	annuled?
	Generation and load data provision	approved	-
	Common grid model	approved	-
	Pricing of intraday capacity	approved	-
	ID cross-zonal gate opening/closure time	approved	-
	DA firmness deadline	approved	-
	Congestion income distribution	approved	-
Relevant TSOs	Calculation of scheduled exchanges (DA+ID)	approved	-
	Calculation of scheduled exchanges (ID)	approved	-



## All TSOs' TCMs

### **Capacity Calculation Regions (CCRs)**

- Defines the CCRs.
  - Appeal against the AT-DE split (questioning the mandate of the Agency to do so)

- ACER decision in November 2016 after no RAs' agreement.
- The decision appealed.
- Two TSO requests for amendment since the decision (NEMO Link, Cobra cable), both decided by the Agency.
- October 2019, the European Court of Justice annulled the decision of the Board of Appeal to reject the appeal from E-Control. BoA can appeal the ECJ's verdict.



### All TSOs' TCMs

#### **Pricing intraday cross-zonal capacity (IDCZCP)**

 Introduces the intraday auctions, which are not envisaged by the CACM Regulation target model, nevertheless approved as no feasible technical solution was available.

- Decision in January 2019.
- Implemented by the recent submission of the algorithm methodology.

# ACER Agency for the Cooperation of Energy Regulators

#### All NEMOs' TCMs

#### **MCO Plan**

- NEMOs perform the MCO functions (matching of orders and simultaneously allocating cross-zonal capacities)
  - Development, maintenance and operation of the DA & ID algorithms
  - Processing input data from coordinated capacity calculators (cross-zonal capacity and allocation constraints)
  - Timely validation and sending results to NEMOs.

- Approved in July 2017 after 2<sup>nd</sup> request for amendment.
- To be implemented by July 2018
  - The Multi-NEMO-Agreement (MNA) still pending, some regions face almost 2-year delay
- New MCO governance group possible improvements



#### All NEMOs' TCMs

#### **Back-up and Products**

- Back-up procedures take place after the NEMOs are unable to provide coupling results, but before the fallback procedures
  - No back-up for intraday auctions
- Product for ID submitted together with the algorithm amendment
  - Pending decision in January 2020

#### **Status** (as reported in the last workshop)

- Approved in March 2018 after a request for amendment.
- Approved in March 2019 by the last NRA
- To be implemented immediately after the MCO function implementation.



### All NEMOs' TCMs

### **SDAC algorithm & SIDC algorithms**

 Sets out the conditions (max economic surplus, scalability, repeatability), deliverables, etc. for the DA and ID algorithms.

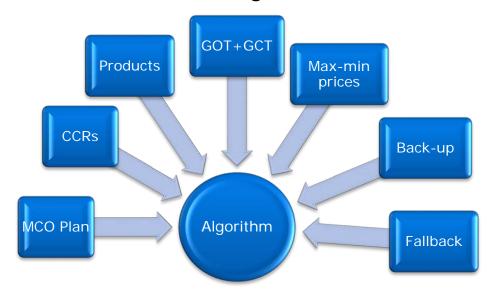
- ACER decision in January 2020; the previous algorithm decision requested all-NEMOs' amendment.
  - Change control methodology
  - Algorithm monitoring methodology
- EC wants to reinforce the NEMO and TSO cooperation (legally)
- ACER decision comes after a new governance scheme under Regulation 2019/942.



#### All NEMOs' TCMs

#### SDAC algorithm & SIDC algorithms issues

 Legal base for ACER to decide: ACER decision comes after a new governance scheme under Regulation 2019/942.



- Legal base for the content of the decision:
  - All NEMOs and all TSOs decide on development.
  - IDAs do not fit in the price coupling algorithm or continuous trading matching algorithm.
  - Publishing of potentially sensitive contracts and procedures.

# ACER Agency for the Cooperation of Energy Regulators

## All NEMOs' TCMs

### SDAC algorithm & SIDC algorithms issues

- Content
  - 15/30 minute products CEP sets a very early deadline.
  - XBID interruption transparency & anti-fraud design vs. short interruption vs. short time for placing bids into IDAs
- Future
  - EC wants to reinforce the NEMO and TSO cooperation (legally)
  - MCO governance EC's subgroup meetings & paper
    - possible future development of the overall governance
    - limited in scope and focuses only on improving the recently chosen model
  - Single intraday continuous market with implicit auctions
    - possible phase-out of complementary regional auctions



# New governance / ACER powers

### Clean Energy Package (recycled slide)

- Implementing acts vs. delegated acts
  - TCMs under implementing acts will go directly to ACER
    - (not for regional ones)
  - TCMs under delegated acts will remain under the 'old' regime when they fail to agree or upon request of 60% of RAs
- So far no delegated acts in place.
- ACER can take an arbitrary role for non-EU countries
  - If the third countries have adopted and apply the rules and mandate the Agency to coordinate activities of their regulator with regulators form MSs, the Agency can take the role.
  - Third countries would have no voting rights(?) and take over the existing legislation 'in the field of energy, environment and competition'.



THANK YOU FOR YOUR ATTENTION!