Bringing CACM and FCA Guidelines in the Energy Community

Energy Community Secretariat
14 July 2020
Overview

1. Concept for implementation of the CACM Regulation
   - Guiding principles – what do we want to achieve
   - Target definition – what is the challenge we want to overcome
   - The concept in a nutshell
   - Into details
   - Open for discussions / improvements

2. Concept for implementation of the FCA Regulation
   - The concept in a nutshell
   - Into details
   - Open for discussions / improvements

3. Timeline and procedure
1_CACM Regulation
Guiding principles

1. **Provide the minimum legal basis necessary for CP-MS market coupling pilot projects**
   - Until legally binding reciprocity between CPs and MSs is in place
   - Driver: re-launch of SEE TSO activities supported by ENTSO-E on CP-MS pilot projects ~Q2/2021 et seq

2. **Ensure smooth transition once legally binding reciprocity between CPs and MSs is in place**
   - No ‘special CP CACM Regulation’ edition
   - Early participation in CACM 2.0 discussions

3. **For a CP coupling into multilateral SDAC strictly follow the SDAC requirements**
   - No deviating/individual CP-MS bilateral arrangements

4. **Allow CPs to couple into SDAC individually**
   - Provided requirements are met in the relevant CP
   - No requirement for ‘all CPs nucleus’ to couple first before jointly coupling into SDAC

5. **All CPs in focus**
Target definition

CACM | FCA working group

Early discussions

2016  March 2018  May 2018  July 2020  MC 2020  ~Q2 2021

TO DO

• Reciprocity CP-MS
• ACER competences for CPs

• Reciprocity CP-MS: pending Treaty reform [+ratification]
• ACER competences for CPs completed for EU (ACER recast) | pending for CPs

Working assumption: Treaty reform not adopted

How to bridge the legal reciprocity gap?

First CP-MS pilot projects

T arget definition

Early discussions

2016  March 2018  May 2018  July 2020  MC 2020  ~Q2 2021

TO DO

• Reciprocity CP-MS
• ACER competences for CPs

• Reciprocity CP-MS: pending Treaty reform [+ratification]
• ACER competences for CPs completed for EU (ACER recast) | pending for CPs

Working assumption: Treaty reform not adopted

How to bridge the legal reciprocity gap?

First CP-MS pilot projects

T arget definition

Early discussions

2016  March 2018  May 2018  July 2020  MC 2020  ~Q2 2021

TO DO

• Reciprocity CP-MS
• ACER competences for CPs

• Reciprocity CP-MS: pending Treaty reform [+ratification]
• ACER competences for CPs completed for EU (ACER recast) | pending for CPs

Working assumption: Treaty reform not adopted

How to bridge the legal reciprocity gap?

First CP-MS pilot projects
The concept in a nutshell

1. CC agreement 70%

2. CP multilateral **contract** with SDAC
   - At SDAC conditions [= ,EU CACM']
   - Individual per CP
   - 12:00

3. Treaty reciprocity clause

CPs
- Individually ,CP CACM’ Title II
- 10:15
- ECRB

ECRB
- 10:15

ACER
- 12:00

ECRB
- 10:15

CC agreement
- 70%

CPs
- Individual per CP
- ,CP CACM’ Title II
- 10:15
2_FCA Regulation
FCA & single allocation office

- Regulation binding for CPs of Title II
- 3rd countries may join
  - Status quo: e.g. HR, GR, TK
- Using HAR complemented with regional/border annexes
  - Status quo
- Single Allocation Office
  - SEE CAO? → to be selected based on FCA criteria!
  - An AO next to JAO?

Use of HAR | close cooperation | MoU

AO integration branch office?

FCA adoption | End of transitional period
3. Timeline and procedure
Timeline & procedure

- **WG discussions**: 14.7.2020
- **Adoption by PHLG**: 09/2020
- **CC agreement 70%**: 11/2020
- **Transposition**: 06/2021
- **Implementation**: 08/2021
- **First CP-MS pilot projects**: [Q2-3 2021]
Thank you!

✉️ Nina.grall@energy-community.org

🌐 www.energy-community.org