Putting elements together – alignment of EU and EnC workstreams

ENTSO-E contribution

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CACM GL in force in EU, adoption in EnC will come at later stage, gradual early implementation in the meantime

WB6 MoU & process with overlay of „EC&ECS SEE Trading region initiative“

Filling in the gaps at legislative, regulatory, institutional area between EU and EnC

ENTSO-E & TSOs governance integrating overlapping parts of all workstreams (e.g. existing structure strengthen with TSO PM)

Political endorsement & involvement of other stakeholders (in particular NRAs and PXs), e.g. through “Implementation group”

Disclaimer: understanding of EC&ECS initiative for „SEE trading region“ based on inputs from EC presentation for PHLG (15th March 2016) and two telco’s with TSOs (1st and 12th April 2016)
ENTSO-E Organisation Structure

ENTSO-E Regional Group South East Europe (under Market Committee)
Perimeter of ENTSO-E Regional Group South East Europe (under Market Committee)
The EU Target Model – „trading” under CACM and beyond

Flow based approach (FB)
Coordinated available transmission capacity (ATC)

Physical and/or Financial Transmission Rights
Implicit allocation
Price coupling
Continuous Implicit allocation
Balancing TSO-TSO with CMO

Governance

Capacity allocation

Time frame

Long-term → Day-ahead → Intraday → Real Time

CACM NC
FCA NC
EB NC
CACM NC
CACM NC
CACM NC
Voluntary gradual CACM (early) implementation
simplified basic steps

Establishment of the national power exchanges and their involvement in cooperation with TSOs

Day-ahead market coupling (on NTC basis)

Intraday markets & coupling

Flow based market coupling
Options for extending the Multi-Regional Coupling project to the CEE and SEE regions

Identification of critical path aspects of the plan:
  e.g. founding of new PXs & involvement of PXs / NEMOs

Recommended installing of TSO project manager for consistency and streamlining of necessary activities, in addition to present governance

Identification of possible routes for MRC extension to SEE ("pilot projects"): from GR, HR-BA, HU/RO-RS

Indicative boundary-by-boundary plan for completing DA coupling
<table>
<thead>
<tr>
<th>Borders</th>
<th>Target time</th>
<th>Remarks</th>
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<tbody>
<tr>
<td>ELES – APG, ELES – Terna</td>
<td>July 2016</td>
<td></td>
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<tr>
<td>Eirgrid – NG/SONI – NG</td>
<td>Oct. 2017</td>
<td>Part of I-SEM project</td>
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<tr>
<td>50 Hertz – PSE, CEPS – PSE, SEPS – PSE, swissgrid – APG/DE-TSOs/RTE/Terna</td>
<td>July 2018</td>
<td>Flow-based coupling with merger CWE and CEE CCRs, s.t. development+testing going well; swissgrid coupling s.t. EU political agreement, could also be earlier with NTC once politically solved</td>
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<tr>
<td>EMS – HOPS, EMS – Mavir, EMS – NOS BiH, EMS – Transelectrica, HOPS – NOS BiH</td>
<td>July 2020</td>
<td>Possibly faster if fewer new PXs are founded (see above)</td>
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Conclusions

- TSOs are currently facing several workstreams that address same or similar topics under different conditions (legal, geographical ...)

- ENTSO-E and TSOs generally welcoming engagement of EC and ECS to support the coordination of other EU and EnC actors but there is a need to gain better understanding of what the EC&ECS SEE Trading region initiative actually covers (where CACM /early/ implementation is obviously only a part)

- Need to keep it all workstreams consistent and simple and work on synergies

- ENTSO-E pan-European Day Ahead Coupling plan is the way forward for MRC extension