Implementing coordinated capacity calculation:
Early implementation of CACM or implementation of TEP

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Capacity available for the market

Reg 714/Annex 1 (third energy package) – applicable for the CPs (for EU complemented with CACM regulation)

- Coordination of TSOs in capacity calculation is required – requirement for meshed network – beyond bilateral arrangements for each interconnection
- The available capacity should be set at the maximum levels consistent with the safety standards of secure network operation
- Method for the calculation of the capacity and the TRM should be subject to NRA approval and published
How to ensure coordination?

Two key aspects that require clarification (in the absence of CACM):

1. Defining the geographic scope where such coordination is required
2. Identifying the details and the process around coordination

Where? & What?
Coordination: process and details

Reg 714/Annex 1 (third energy package) – applicable for the CPs (for EU complemented with CACM regulation)

- Coordination requires (but not limited):
  - Increased transparency in the process
  - Exchange of information between TSOs
  - Use of common transmission model dealing with interdependent loop flows

What else?

- ... level of coordination and process is further detailed in the CACM
Coordination: geographic scope (CCRs)

- EU CCRs do not include CPs
- All TSOs proposal on CCRs included an evolution of the SEE CCR to include WB6 and surrounding EU MSs – SEE shadow CCR
- CACM refers this shadow CCR (re flow-based implementation)
- Defining CCRs to include CPs is a must for coordination and ensuring early implementation of CACM (CCC part)
- NRAs (both CPs and surrounding EU MSs) can agree and request TSOs to enhance coordination on these newly defined CCRs
(Early) implementation (under discussions)

- ECRB recommendation for NRAs of CPs and surrounding MSs – establishing the framework for implementation of coordinated capacity calculation
  - Outlining the regions (CCRs) which include CPs and MSs
  - Inviting NRAs to adopt a regulatory act / recommendation, binding / non-binding, on national basis:
    - the requirement for TSOs from each ECRB CCRs to cooperate in drafting a coordinated capacity calculation methodology and process applicable for the respective CCR
    - the timeline within which the TSOs should develop and submit the coordinated capacity calculation methodology to the NRAs for approval
    - the timeline within which NRAs invited to consult and approve the methodology including also the timeline for implementation.
- The process defined is as prescribed on CACM
- Building on EU TSOs and NRAs’ coordination and consultation practices
**NRA powers**

- Requirement for coordination in capacity calculation is under the third package.
- Defining the regional coordination – a regulatory task (this is even further confirmed in the CACM regulation).
- NRAs by virtue of the Third Energy Package and its implementation in the CPs’ national legislation are competent to set/approve the rules related to congestion management.
- The competences necessary for the purpose of issuing a regulatory decision, defining the level of coordination and the regional scope is assumed for the NRAs.
- In CACM spirit, therefore ensuring early implementation of coordinated capacity calculation.
ECRB Recommendation – under discussions

ECRB recommends that the national regulatory authorities adopt the act as attached in Annex B in the form of a binding act, guidance or recommendations in order to establish a framework for coordinated capacity calculation for each defined CCR in this recommendation.

To this end, a regulatory decision of the NRAs regarding the adoption of this act, guidance or recommendation would:

• establish a fully harmonised process for capacity calculation within each ECRB defined CCRs,
• establish single methodology for coordinated cross-zonal capacity calculation,
• provide transparency and certainty on the TSOs’ processes related to capacity calculation,
• facilitate cooperation and coordination between TSOs and NRAs, and
• define the shipping agent responsibility.
Outlined ECRB CCRs – SEE Shadow CCR

Existing Bidding zone borders:

Bidding zone borders as per Evolution 1:

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2. Italy-Montenegro (ITME) CCR
Outlined ECRB CCRs – Burstyn CCR

3. Burstyn CCR
4. Moldova-Ukraine (MDUA) CCR
5. Poland-Ukraine (PLUA) CCR
Thank you!

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