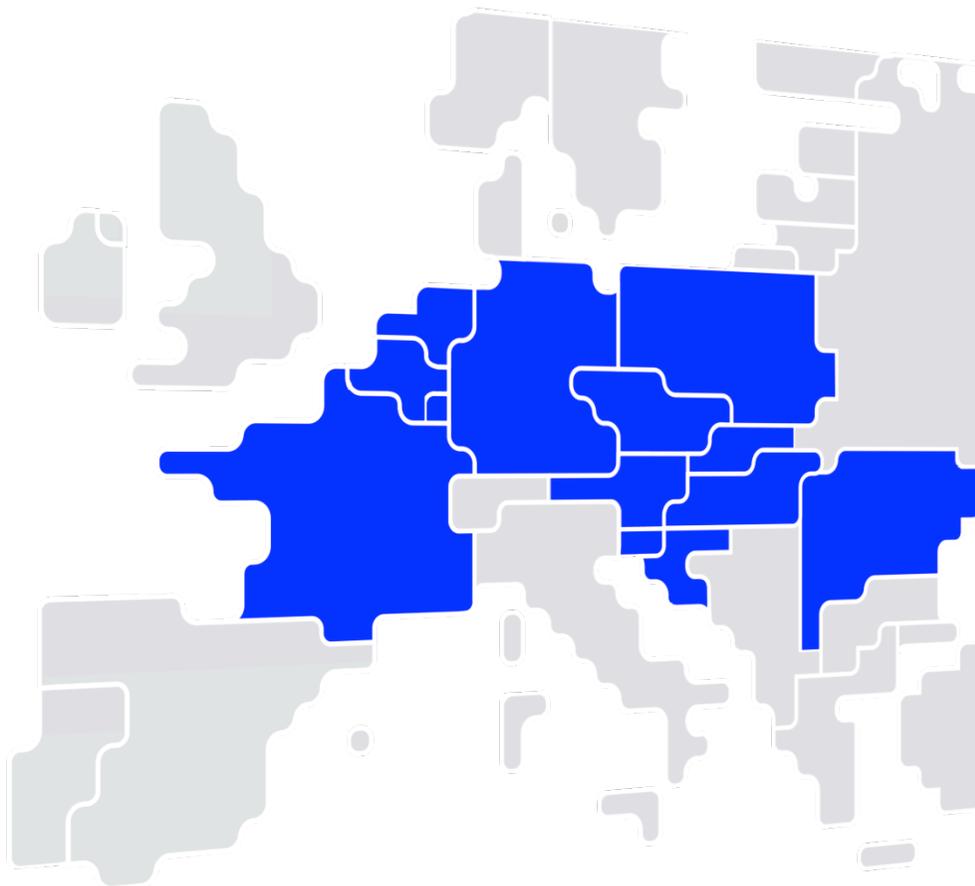




Core Consultative Group meeting

20th of November
13h00 – 16h00 CET
Conference Call





	SUBJECT	WHO	TIMING
1	Welcome and introduction	C.PFLANZ	13:00 – 13:10
2	Core DA and ID FB CCMs <ul style="list-style-type: none"> • Public consultation • Way forward • Status update experimentation • Q&A 	C.PFLANZ	13:10 – 13:45
3	Redispatch & Countertrading (MPP) <ul style="list-style-type: none"> • Presentation • Q&A 	MPP	13:45 – 14:30
4	Redispatch & Countertrading (Core TSOs) <ul style="list-style-type: none"> • Introduction • Status update • Next steps • Q&A 	G. MAES	14:30 – 15:30
5	TSOs' LTR design including the CZ/SK and AT-DE/LU BZB <ul style="list-style-type: none"> • Status update • Next steps • Q&A 	M.RUBEN	15:30 – 15:45
6	AOB	C.PFLANZ	15:45 – 16:00



Core TSOs welcome all Market Participants, representatives of associations, NRAs and NEMOs.

In order to have a meaningful conference call with many people dialing in, all participants are asked to take the following into account:

- To avoid disturbing back ground noise, go & stay on 'mute' during the conference call
- There is time reserved for Q&A sessions, therefore you are asked to not interrupt the presenters during their presentation
- To allow for a structured discussion during the Q&A, please follow the Q&A instructions as provided to you together with the conference call details.

Objective for today's call:

- Inform participants on the current status of the Core DA and ID flow-based capacity calculation methodology
- Involve participants in the development of the Core Redispatch & Counter Trading methodology (first exchanges)
 - As requested by MPs during last Core CG meeting in July
 - Presentation is prepared by Market Parties Platform and by the Core TSOs
- Inform participants on the amendment of the Core CCR TSOs' proposal for the regional design of LTRs & public consultation ongoing

1. Welcome & introduction

Update developments Core



Network Code/ Guideline		Art.	CCR Obligation*	NC/GL milestone delivery method	
CACM	Day ahead	20.2	• Common Capacity Calculation Methodology for DA	Sept 2017	→ Core DA & ID FB CCM submitted to Core NRAs on 15/09 → In progress → RfA received from Core NRAs → Amendments proposed by Core TSOs
		27.2	• Setting up Coordinated Capacity Calculator	Jul 2018	
	Intraday	20.2	• Common Capacity Calculation Methodology for ID	Sept 2017	
		27.2	• Setting up Coordinated Capacity Calculator	Jul 2018	
	Re dispatch & Countertrading	35.1	• Proposal for a coordinated RD & CT	March 2018	
		74.1	• Proposal for RD&CT cost sharing	March 2018	
		74.7	• Further harmonize re dispatching and countertrading cost sharing methodologies with other CCRs	Dec 2018	
	General	35.3	• Report assessing the harmonization of coordinated RD&CT	March 2018	
		44	• Fallback procedures for DA FB MC	May 2017	
	80.4	• Proposal for sharing regional costs (#NEMOs and TSOs cooperating in a region)	2017		
FCA	Long Term	31.3	• Regional design of LTRs in CCRs where LTRs exist	Apr 2017	
		10.1	• Common Capacity Calculation Methodology for LT	Sept 2018	
		16.1	• Methodology for splitting LT capacities	Sept 2018	
		21.1	• Operational rules for merging the individual grid models	Jun 2018	
		42	• IF PREFERRED by TSOs: alternative coordinated fallback solutions	Jun 2018	
		21.2	• Operational rules for coordinated capacity calculators	Sept 2019	

* The obligations shall take into account all potential bidding zone configuration, amongst others the DE-AT border

* Regulatory procedures can delay some of the deadlines



Core TSOs have submitted the Core DA and ID common capacity calculation methodologies (Core DA&ID FB CCMs) to Core NRAs on September 15th

Reminder

- June-July: public consultation Core DA and ID CCMs
- 15/09: CCMs and supporting document submitted to Core NRAs for formal approval
 - Proposal DA and ID: legally binding description of the methodology (for approval by NRAs)
 - Explanatory Note DA: detailed descriptions of the methodology (for information purposes only)
 - Consultation Report DA and ID
- All above mentioned documents can be found on [the Core pages on the ENTSO-E website](#)
- Duration of the NRA approval process: 6 months

Public consultation

- Via the ENTSO-E consultation platform, the public consultation documents were available to Core stakeholders
- In total, 13 stakeholders submitted their responses, 12 responses for the Core DA FB CCM and 11 for the Core ID FB CCM.
- In addition, Core TSOs received via email a joint statement from 4 market participants associations, being EFET, EURELECTRIC, Nordenergi and Market Parties Platform
- Core NRAs also submitted their Shadow Opinion (SO) on the Core DA FB and Core ID FB CCMs after Public Consultation
 - Feedback received from Market Parties reflects the NRA SO

→ All feedbacks received from Market Parties & Associations are thoroughly assessed, have been discussed with Core NRAs and are consolidated in the Consultation Report including Core TSOs responses. See appendix for a summary of MPs' feedback.



Way forward in finalization Core CCMs

Core TSOs updated the Core DA FB CCM and Core ID FB CCM after public consultation. Main part of the feedback received from involved stakeholders and Core NRAs is included.

However, it is highly challenging for the 16 TSOs (13 countries) in the Core CCR to develop a final CCM within 10 months after the ACER CCR decision. Some fundamental elements of the CCM cannot be detailed at this moment in time:

- Experimentations are ongoing and progressing however Core TSOs are facing challenges, such as:
 - Harmonizing of inputs & configurations between different prototypes used and throughout 16 TSOs
 - Developing & extending available (prototype) tooling to cope with the Core region scale
- Preliminary experimentation results are available, further analysis and additional experimentation are required to be able to conclude on the final Core DA FB CCM
 - The available results lead to questions. To answer these questions, thorough analyses is needed which requires time and a lot of efforts.

Core TSOs concluded (after discussions with Core NRAs) that the current status of the experimentation phase confirms it is too early to determine all details of the Core CCM

- On the next slide, the Core TSOs' approach for finalization of the Core DA FB CCM can be found.
- This approach was presented to and discussed with Core NRAs during the Core Implementation Group meeting on the 28th of August.



Approach for finalization

1. Submission of updated Approval Package to NRAs on the 17th of September 2017

- Updated Core CCM Proposal with the inclusion of all adaptations possible at this moment in time based on feedback received from Core stakeholders.
 - Process steps are included in the CCMs on how to determine the final values & methods for e.g. CNEC selection, LTA inclusion, harmonized risk levels, RAO. These general processes will include descriptions on how to close and approve the open points;
 - Core TSOs shall provide a “Core TSO Deliverable Report” in Q1 2018 describing detailed plans on how to finalize the open topics. This report shall be discussed with and concluded upon by Core NRAs. The report shall be shared with Market Parties afterwards.

2. In parallel of the NRA approval period (6 months until March 2018) Core TSOs will continue their efforts on experimentation and will further align with NRAs and Market Parties

- Core TSOs shall organize co-creation workshops with NRAs and with Market Parties to enhance the work on expert level. This will be in addition to the regular stakeholder meetings.

Main reasons for Core TSOs to finalize the CCM according to the above approach:

- To be able to meet Core NRAs and stakeholders expectations as reflected in the feedback received after Public Consultation;
- To secure the development of a solid methodology, supported by experimentation results and feasibility study, being able to provide an acceptable level of capacity while ensuring security of supply.

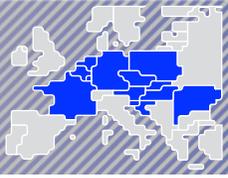


Development CCMs – status experimentation

Core TSO's aim is to be transparent to MPs on the status of the Core experimentation highlighting the challenging issues TSOs are facing.

- Initially, TSO foresaw to fine-tune & validate (e.g. RAO methodology, CNEC selection methodology, threshold levels) throughout Q2-Q3 2017 via performing experimentation for 12 BDs, selected via the 'SPAIC approach' (Standard Procedure for Assessing the Impact of Changes)
- However, Core TSOs could start analysis of the first BDs in July 2017 only, due to several issues such as:
 - Harmonizing of inputs & configurations between different prototypes used and throughout 16 TSOs
 - Developing & extending available (prototype) tooling to cope with the Core region scale
- Some preliminary results of expert calculations are available and partly pre-discussed on Core Steering Group level. Core Steering Group decided additional analysis is required:
 1. Characterize and describe the historic situation;
 2. Analyze Core CC results for the experimented days;
 3. Analyze Core market coupling results for the experimented days.
- To be able to conclude on the final Core DA FB CCM, further improvements and additional experimentation are needed e.g. regarding the influence of several parameters and redispatching assessment to be carried out.
- Core TSOs aim to inform NRAs on the experimentation results and related conclusions in a dedicated workshop on the 22nd of January. It is foreseen to schedule a Core CG meeting in Q1 2018, Core TSOs will inform MPs accordingly.





Presentation by Market Parties Platform (MPP)





CACM and SO GL foresee the following obligations related to Redispatch & Counter trading (RD&CT)

Network Code/ Guideline		Art.	CCR Obligation	Public Consultation (target date)	NC / GL milestone delivery method
CACM	RD & CT	35.1	• Proposal for a coordinated RD&CT	Jan 2018	March 2018
		74.1	• Proposal for RD&CT cost sharing methodology	Not required	March 2018
		74.7	• Further harmonize re dispatching and countertrading cost sharing methodologies with other CCRs	Not required	Dec 2018
		35.3	• Report assessing the harmonization of coordinated RD&CT	Oct 2018	Jan 2019
SO GL	OSA	76	• Proposal for regional operational security coordination	Sept 2018	Dec 2018

Core TSOs would like to discuss CACM Obligation 35.1 (subject to Public Consultation) with Market Participants by:

- Presenting the general approach & timeline
- Exchanging based on the presentation prepared by market participants



Approach / Overview

Core TSOs objective

- Prepare a coordinated RD&CT methodology public consultation in January 2018. The final RD&CT methodology to be submitted to NRAs for approval by 17 March 2018.

Current status

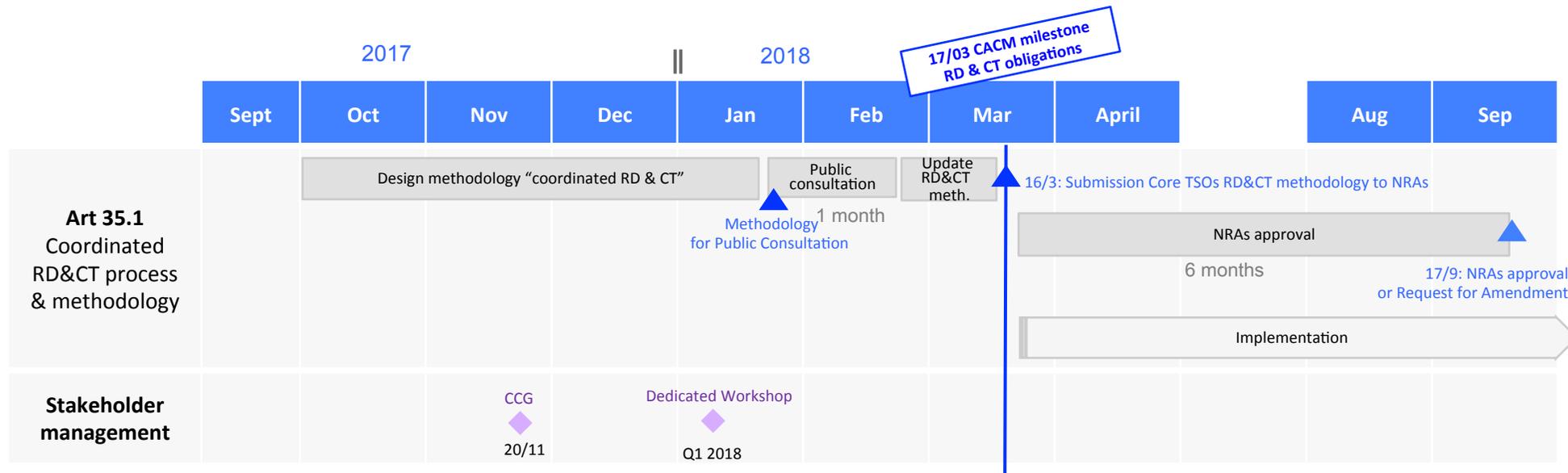
- Core TSOs are currently drafting the methodology to be submitted for Public Consultation
- See next slide for detailed roadmap

Main challenges

- Dependency with SO GL 76, with different submission deadlines
- Strong interconnection between the common methodology for the operational security analysis (OSA) regarding article 76 SO GL and the common coordination methodology for RD and CT regarding article 35 CACM as a part of the OSA
- Coordinated OSA: IGM input (level of congestion free, interaction of non-costly and costly RA)
- Interaction with ID Capacity Calculation



Below, the aimed timeline to deliver a proposal for coordinated RD & CT (CACM Art. 35). Core TSOs would like to highlight the challenging CACM milestone for the RD&CT obligations:



Involvement of Market Parties

- Introductory exchanges during Core Consultative Group conference call on 20/11/2017
- Proposal to organize a workshop with Market Parties at the beginning of public consultation (Q1 2018)

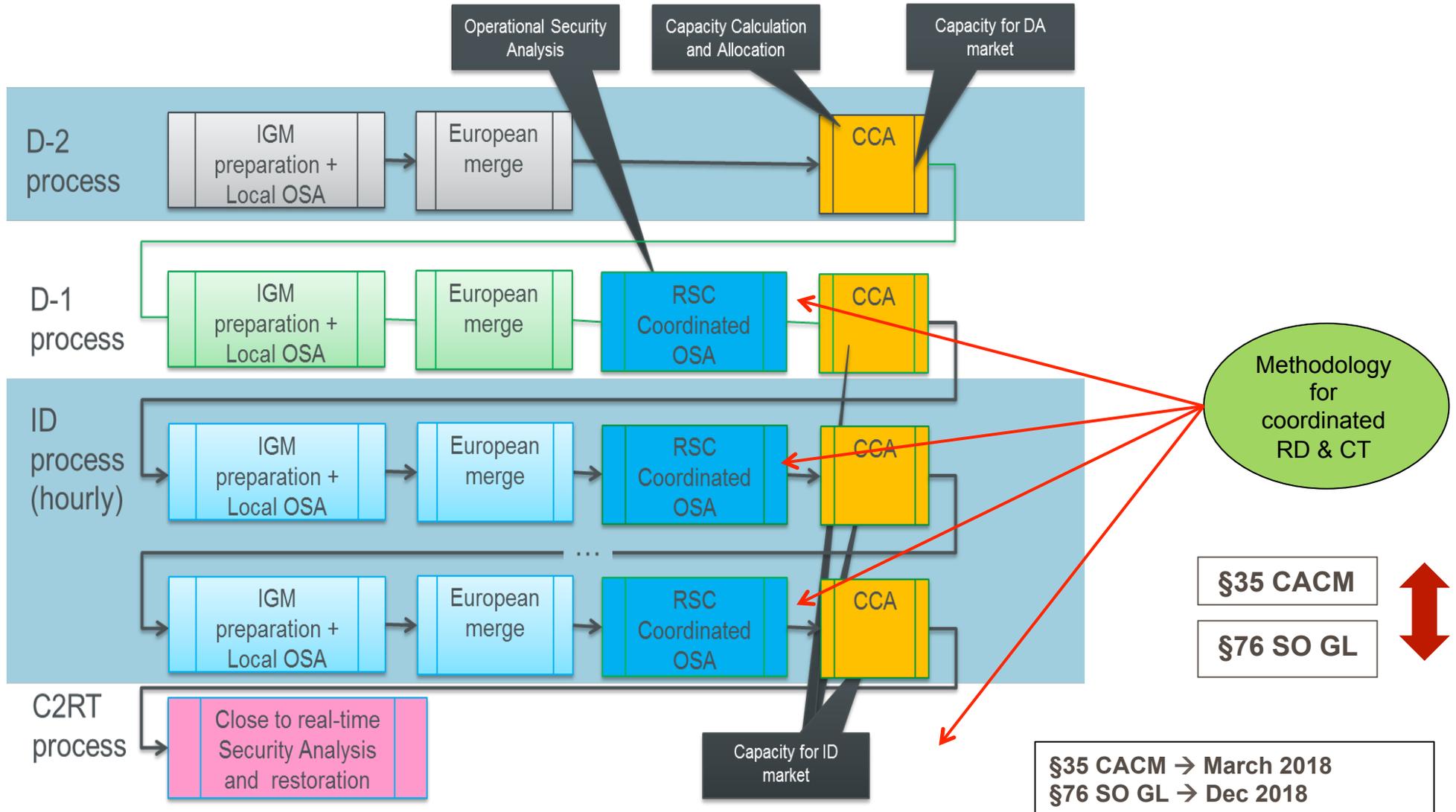
➔ **Public Consultation will be performed via the ENTSO-E consultation platform**

2. Stakeholder management topics



Overview Different time frames

Please find below an overview presenting the interaction between the Capacity Calculation, Security Assessment and the RD & CT methodology







“Core CCR TSOs’ proposal for the regional design of LTRs” (FCA – 31) was in principle approved by Core NRAs on the 3rd of October 2017 in the Core Energy Regulators Regional Forum (“CERRF”)

In the meantime during the approval process, amendment needs have been raised by Core TSOs for

- CZ/SK BZB (introduction of PTRs UIOSI) and the
- AT/DE-LU BZB (introduction of PTRs UIOSI or FTR options*)

On October 20th, Core TSOs submitted for Public consultation the “Core TSOs’ LTR design including the CZ/SK and AT-DE/LU BZB” (Link: <https://consultations.entsoe.eu/markets/core-lttrs-v2/>)

Following the legal basis for CZ/SK BZB and due to similar timing requirements for AT-DE/LU BZB the final proposal is to be sent to Core NRAs latest by 24 November 2017:

- 20/11 - midnight: End of Public Consultation on ENTSO-E platform
- 24/11: Deadline to submit amended Proposal + Consultation Report to NRAs

Deadline for Market Participants to provide feedback on ENTSO-E platform: 20/11 - midnight

(*) At the moment there is no final preference by Core TSOs on whether to use LT PTR UIOSI or LT FTR Options on the AT/DE-LU BZB. Some Core TSOs expressed their concerns on the potential negative impact of high (or full) nomination of LT PTRs on the remaining flow-based day-ahead capacity for other Core BZBs, which could be mitigated by introduction of FTR Options. Due to timing restrictions Core TSOs decided to propose both types of LTR for public consultation. The eventual LT capacity calculation methodology in the CCR Core will be developed by Core TSOs based on article 10 of the FCA Regulation.





AOB?

Core TSOs thank all Market Participants, representatives of associations, NRAs and NEMOs for their participation in today's call

- Minutes of the call will be published on the dedicated Core pages on the ENTSO-E website
- In alignment with the CWE project and MPs co-chair of the CCG, Core TSOs aim to schedule a new Core CG meeting in Q1 2018 (End of March)



-  50hertz
-  amprion
-  APG
AUSTRIAN POWER GRID
-  creos
-  čepi, a.s.
-  ELES
-  elia
-  HOPS
-  MAVIR
-  PSE
-  Rte
Réseau de transport d'électricité
-  SEPS
-  Transelectrica
-  Tennet
Taking power further
-  TRANSNET BW



Stakeholder feedback on Core day-ahead flow-based capacity calculation methodology:

- **Level of Detail**
 - All stakeholders questioned the level of detail of the proposed CCMs. It was indicated that mainly principles are described and that clear descriptions of methods are missing. Stakeholders ask for detailed description of process, criteria, threshold(s), and no open values.
 - In addition, stakeholders asked for ‘proof of concept’ of the CCMs proposed, e.g. summarized in an impact assessment or a feasibility report.
 - Also, it is requested to have additional review opportunities when more details are known.
- **CACM compliancy:** stakeholders indicated the Proposal is on several aspects not compliant with requirements set out in CACM or references are missing / incorrect
- **Remedial Actions (RAs):** TSOs are asked to clarify the nature of the different RAs to be taken into account in calculation, incl use of costly RAs
- **Transparency&monitoring data:** stakeholders ask for minimum CWE-level of transparency, additional transparency requested
- **Implementation time-lines**
 - TSOs are asked to add concrete dates for //run
 - TSOs are asked for binding cooperation with non-Core Regions on a solution that takes into account influence of adjacent regions.

Stakeholder feedback on Core intraday flow-based capacity calculation methodology:

- All feedback provided to the DA proposal are (where relevant) applicable to the Core ID FB CCM as well
- **Frequency of reassessment:** specification of the frequency of reassessment of capacity in ID time frame is requested.