

Consistency of CACM35, CACM74, S075 and S076 methodologies

S075			
Topic	S076	CACM35	CACM74
Operational security analysis	✓		
Coordination of remedial actions	✓	✓ (RD CT only)	
Cost sharing of remedial actions	✓		✓ (RD CT only)

- S075 (EU): Methodology for coordinating operational security analysis
- S076 (CCR): Common provisions for regional operational security coordination
- CACM35 (CCR): Methodology for coordinated redispatching and countertrading
- CACM74 (CCR): Methodology for redispatching and countertrading cost sharing

The problem

- Each CCR needs to develop CACM35, CACM74 and SO76 methodology
- These three methodologies describe the **same/single process**, but...
 - ...scope of the methodologies is only partially overlapping (all remedial actions vs. RD CT only)
 - ...methodologies are developed and approved at different times
 - ...
- It is difficult to ensure consistent approach – to define a consistent coordination process chain:
 - *Operational security analysis*
 - *Coordination of remedial actions*
 - *Cost sharing of remedial actions*

Proposed solution

Final outcome:

- SO76 is expected to have three main chapters:
 - *CH1: Operational security analysis*
 - *CH2: Coordination of remedial actions*
 - *CH3: Cost sharing of remedial actions*
- CACM 35 should essentially be equal to CH2 of SO76 but limited to RDCT only
- CACM 74 should essentially be equal to CH3 of SO76 but limited to RDCT only
- After SO76 is approved, the CACM can be amended to delete requirements on CACM 35 and CACM 74 – to remove duplication

Two approaches to DA and ID congestion management

- Two forces/views have emerged on how to manage congestions that are not addressed with capacity calculation and allocation:
 1. **Fully coordinated and common approach:**
 - (a) After SDAC/SIDC all congestions are identified in a coordinated way
 - (b) All (except some local) congestions are addressed with coordinated remedial actions
 2. **Two-step approach anticipating internal congestions:**
 - (a) After SDAC/SIDC foreseeable congestions are identified by each TSO individually and each TSO individually addresses its structural congestions (i.e. loop flows and internal congestions)
 - (b) Subsequently congestion-free individual models are merged and the remaining congestions are addressed with regional coordinated remedial actions

Two approaches to DA and ID congestion management

- **Fully coordinated and common approach**
 - ✚ Re-dispatching cost-efficient and optimal from the regional perspective
 - ✖ Extensive and complex coordination and optimisation
 - ✖ Requires fair cost sharing rules
- **Two-step approach:**
 - ✚ Simpler regional requirements on coordination and optimisation
 - ✚ Much simpler cost sharing rules (fairness addressed in the first step)
 - ✚ Less market distortion, anticipation of slow units
 - ✖ Complex rules to individually address structural congestions (loop flows and internal flows)
 - ✖ Difficult to divide between individual and regional remedial actions
 - ✖ Suboptimal: individual TSO actions may be counter-productive