## Answers of APG on CCR – Consultation document of ACER

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- 1. Do you consider both the commitment from the CWE and the CEE TSOs to cooperate towards a merger of the CWE and CEE CCRs and the MoU signed on 3 March 2016 as sufficient to ensure that the CWE and CEE regions will develop and implement a common congestion management procedure compliant with the requirements of the CACM Regulation, as well as of Regulation (EC) No 714/2009? Or should the definition of the CCRs provide for a CCR already merging the proposed CWE and CEE regions to ensure compliance with the required common congestion management procedure?
- → <u>Answer</u>
  - We are in favour that the definition of the CCR provides an already merged CWE/CWE region from the beginning on. As CWE and CEE together are forming the very highly meshed transmission grid in continental Europe, this approach would ensure best compliance with the required common congestion management procedures.
  - It is important that the CWE and CEE TSOs continue together the development of one common flow-based capacity calculation concept and process. The rules for the governance of the merged region shall ensure that ongoing local implementation projects in the regions (e.g. Intraday) should be continued on sub-regional level until the flow-based market coupling is implemented and/or these local project could be extended to the whole merged region.
- 2. Do you have comments on the description of the geographical evolution of the CCRs over time, as proposed by all TSOs in Annex 3 to the Explanatory document to the CCRs Proposal?

## → <u>Answer</u>

We do not have specific remarks to the description of the geographical evolution of the CCR over time, as proposed by all TSOs in Annex 3 to the Explanatory document to the CCRs Proposal. Nevertheless, we interpret that the proposed evolution process is demanding a merged region CWE/CEE. Hence, we see it as a necessary precondition that the definition of the CCR provides an already merged CWE/CWE region from the beginning.

- 3. Should the CEE region (or a merged region) include the bidding zone borders between Croatia and Slovenia, between Croatia and Hungary, and between Romania and Hungary?
- → <u>Answer</u>:
  - As those borders are congested and congestion management procedures are already in place, we do support the inclusion of the bidding zone borders between Croatia and Slovenia, between Croatia and Hungary, and between Romania and Hungary to the merged region CEE/CWE.

## 4. Should the CEE region (or a merged region) include a bidding zone border between Germany/Luxembourg and Austria?

- → <u>Answer</u>:
  - As there is currently no congestion at the mentioned border, we reject the inclusion of the bidding zone borders between Germany/Luxembourg and Austria to the CEE region (or a merged region).
  - Article 15 CACM Regulation does not foresee to introduce new biddingz ones into a Capacity Calculation Region. Such a process is explicitly defined in Article 32 and ENTSO-E is currently performing a bidding zone study according to the CACM provision.
  - The currently ongoing Bidding Zone Study is investigating that border. Hence, there is already a CACM conformant process where this question is under scrutiny. Therefore officially foreseen and legally defined regular processes are in place already dealing with that issue and should not be undermined.
  - Moreover, it is essential to mention that the key technical parameters and grid topologies have been changed compared to the time point when ACER has analysed it for its ACER Opinion: installing the (at first of the 8 locations foreseen until 2020!) the PST in Mikulowa which can now be used to directly control the flows and allow at least some import (currently zero) to Poland; opening the interconnector Vierraden-Krajnik between Poland and Germany improving the situation further; at least two strong 380 kV circuits added between Germany and Austria by 2019; etc. (to mention just some most prominent topics).
  - Finally, the above mentioned important topics will also need to be considered in the light of a possible competition situation or / and inquiries which might be initiated in the coming months.