

For the attention of: Mr. Alberto Pototschnig Director ACER Trg Republike 3 1000 Ljubljana Slovenia

Copy to: Klaus-Dieter Borchardt European Commission DG ENER Rue de Mot 24 1040 Brussels Belgium **Konstantin Staschus** Secretary-General

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## Subject: Process for the decision on the Capacity Calculation Regions Proposal

Dear Alberto.

On the 13<sup>th</sup> November, ENTSO-E informed the Agency that all TSOs have reached an agreement on the proposal for capacity calculation regions (CCRs) developed by all TSOs under Article 15(1) of the CACM Regulation. All TSOs have submitted the proposal to their NRA following the process defined in the CACM Regulation. Since then, neither all TSOs nor ENTSO-E has received any formal communication on the approval process by the NRAs or the Agency. We understand that NRAs were unable to reach an agreement by the deadline set in the CACM Regulation and the approval has been transferred to the Agency. This non-communication by the NRAs and the Agency, has led to uncertainty within all TSOs about the current approval process. Since the Agency recently launched a public consultation on the CCRs proposal, we would appreciate information on the status of this consultation, as well as on next steps envisaged by the Agency to prepare its decision.

On behalf of all TSOs, we would like to highlight that, the proposal submitted on 13<sup>th</sup> November 2015 is the most pragmatic and efficient one; moreover, we are convinced that the explanatory document submitted together with the proposal contains all the explanations and answers to the questions raised in the ongoing consultation by the Agency. With this statement, on behalf of all TSOs, we reconfirm the all TSOs proposal sent on the 13<sup>th</sup> November. Any amendment to this proposal will result in far reaching consequences that shall be carefully analysed by all TSOs, who are best placed to carry out such an analysis, before any further steps can be taken. For this reason, we would welcome that the Agency consult, in case an amendment to this proposal is requested, directly with all TSOs and ENTSO-E on the draft decision / new amendments text, and we kindly ask for Agency's clarification on the process and next steps, and all TSOs involvement on it. In particular how, on what and when all TSOs will be consulted on the decision.

Moreover, we note and welcome the correction in your ongoing consultation on CCRs on the implementation date of the CWE and CEE CCR's day-ahead flow-based capacity calculation methodology, which is now in line with the MoU on the development of a common CWE and CEE CCR's day-ahead flow-based capacity calculation methodology and the merger of the CEE and CWE CCR.

We would like to reconfirm our earlier joint commitment with EC, ACER, TSOs and ENTSO-E to work to implement the CCRs as proposed in Annex 1 of the explanatory document (encompassing the future CCRs which reflects the interdependencies between EU and non-EU bidding zones borders as well as the cooperation between involved non-EU and EU TSOs). We are convinced about the importance of involving European non-EU TSO members of ENTSO-E, especially those responsible for electricity systems physically connected to EU Member States, in defining the CCRs.

All TSOs believe this is the best way forward to ensure the efficiency, relevance and accuracy of the capacity calculation processes.

For the avoidance of doubt, this letter constitutes an input of all TSOs to the public consultation launched by the Agency on 22 June.

We are at your disposal for any further question or clarification.

Sincerely,

Konstantin Staschus, PhD

Secretary-General

**ENTSO-E**