

Dear Sirs,

Please find below **PGE's** response to the consultation document "The definition of capacity calculation regions" (PC_2016_E_02).

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?

We believe that the commitment from the TSOs (CWE, CEE) to merge the CWE and the CEE Capacity Calculation Regions (CCRs) sets up a solid foundation for common congestion management procedure compliant with the requirements of CACM Regulation, as well as of Regulation (EC) No 714/2009. Nevertheless, the MoU signed on 3 March 2016 is insufficient as it only covers Day-Ahead Flow Based Capacity Calculation and does not apply to the Intra-Day timeframe. Consequently, the common congestion management procedure should also embrace the Intra-Day timeframe.

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?

No.

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?

Yes. The capacity calculation regions methodology is crucial for the effective, non-discriminatory and transparent access to and management of the interconnectors.

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

Yes. A bidding zone border between Germany/Luxembourg and Austria is essential for achieving the non-discriminatory, effective and transparent access to and management of the interconnectors. Furthermore, bidding zone border between Germany/Luxembourg and Austria would have a positive impact on the market efficiency and the effectiveness of the common European Electricity Market. Particularly, the Acer's opinion no. 09/2015 of 23 September 2015 clearly indicates that the cross-border exchanges between Germany and Austria are physically realised partly through other borders (DE-PL, DE-CZ and CZ-AT), which means that Germany-Austrian interconnector does not have sufficient capacity to accommodate all commercial flows.

5. Do you have comments on any other new element or development concerning the CCRs Proposal which occurred after the public consultation held by ENTSO-E from 24 August to 24 September 2015?

No further comments.

Best regards,
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