

Towarzystwo Obrotu Energią (TOE) (Association of Energy Trading)

ul. Czackiego 7/9/11, 00-043 Warszawa, POLAND

e-mail: marek.kulesa@toe.pl

phone: +48 22 827 57 93

POLAND

Towarzystwo Obrotu Energią (TOE) welcomes this ACER's consultation on *The definition of capacity calculation regions* which gives all involved stakeholders the opportunity to express their views regarding that topic. We would like to highlight that TOE is the association gathering 28 members which are active in Polish power and gas trading and sales market. We are supporting development of competitive energy market in Poland and Europe as well as representing the interests of energy trading and sales market participants in front of relevant authorities.

We see the correct definition of CCRs as crucial step in creating common European power market. We also expect that increased coordination within and between CCRs will benefit with more capacity offered to the market. TOE's answers to the questions raised by ACER in its Consultation Document (PC_2016_E_02) published on 22 June 2016 are provided below.

- 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?**

TOE welcomes commitment of CWE and CEE TSOs to merge CWE and CEE CCRs expressed by signing on 3 March 2016 *Memorandum of Understanding* setting the rules for creating common day-ahead flow-based capacity calculation methodology and the merger of those CCRs. We see that document as important step towards common congestion management procedure which would be compliant with the requirements of the CACM Regulations and Regulation (EC) No 714/2009. However Article 9 of *All TSOs' proposal for Capacity Calculation Regions (CCRs)* dated on 29 October 2015 and published by ENTSO-E is highlighting that a joint roadmap on how to merge CWE and CEE CCRs should cover both day-ahead and intraday flow-based capacity calculation methodology. Therefore in order to ensure development and implementation of a common congestion management procedure in compliance with the abovementioned regulations also for intraday market the definition of the CCRs should provide for a CCR already merging the proposed CWE and CEE regions.

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?

TOE would appreciate ACER defining indicative timeline for merging CCRs Hansa, Channel and Baltic with one of their neighbouring CCRs taking into account evolution of other coordination projects within Europe (e.g. merger of CEE and CWE CCRs or construction of new interconnectors). That will set timeframes for all most probable mergers of CCRs in the future and will also provide market participants with information on time horizon of establishing flow based capacity calculation methodology in all CCRs.

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, CEE region should include all those borders.

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

Yes, CEE region should include bidding zone border between Germany/Luxembourg and Austria. The CCRs are crucial for the effective, non-discriminatory and transparent access and management of the interconnectors. ACER's opinion no. 09/2015 of 23 September 2015 pointed out that German-Austrian border does not have sufficient capacity to accommodate all flows deriving from implementation of commercial contracts. Hence, such flows are accomplished mainly through interconnectors on Polish-German, Polish-Czech, Czech-German, and Czech-Austrian borders as unscheduled energy flows. Therefore, German-Austrian interconnectors should be regarded as structurally limited. In consequence of that, there is a necessity of establishing capacity allocation method on this border.

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, we don't have other comments.