

UPM's response to ACER consultation on Intraday Cross-Zonal Gate Opening and Gate Closure Times

Reference: PC_2018_E_01, ACER Consultation document on 9 January 2018

Foreword

UPM wishes to thank for the possibility to comment on the Agency's proposed draft amendments of the All Transmission System Operators' proposal for intraday cross-zonal gate opening and gate closure times in accordance with Article 59 of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management ('CACM Regulation').

Answers to ACER's consultation questions

Topic 1: Feasibility of earlier regional GOTs

1. *Do you find it reasonable to apply transitional GOTs which can be after 15:00 D-1 in order to give TSOs sufficient time to gain operational experience with congestion management procedures and intraday capacity calculation?*

In areas where 15:00 D-1 is applied, GOT should not be delayed as this would mean deterioration of the current market rules. However, if a transitional period is needed in other areas with other GOTs, UPM regards it acceptable.

2. *Do you consider the proposed GOT in the Baltic, Channel and Hansa CCRs ambitious enough or could TSOs on both sides of the bidding zone borders in those CCRs implement internal GOTs at 15:00 D-1?*

No opinion.

3. *Do you consider that TSOs could further optimise their planned capacity calculation and congestion management processes to enable a transitional GOT in some CCRs to be set to 21:00 or even earlier?*

No opinion.

Topic 2: Establishment of a EU-wide harmonised GOT and clarification of its effective implementation date

4. *Which option for the harmonisation of GOT do you prefer? Please, explain thoroughly why or, alternatively, propose a new concrete timing and add the reasoning for such a choice.*

UPM prefers 15:00 D-1. The earlier it is possible to start fixing balance deviation by trading in the intraday market, the better it is for balance management.

5. *Do you consider it acceptable that each CCR can have a different target date for implementing the harmonised GOT, depending on specific circumstances in such CCR?*

It is acceptable to have a different target date for each CCR if specific circumstances require it.

Topic 3: Review of the gate closure times for specific bidding zone borders

6. *Do you agree with the exception from the harmonised GCTs and do you see other bidding zone borders than the EE-FI border where this exception could apply? If so, please explain why.*

UPM strongly agrees with the exception. The additional 30 minutes the exception offers can be used for additional BRP balance management as the market provides good possibilities to BRPs to actively do it.

When the 30 minutes before the real time GCT was adopted in the EE-FI border, it was a significant ID market improvement in Finland. Removing this exception would be a deterioration to current market rules and reduce market participants' balance management capabilities.

Exception from harmonized GCT could also be applied between Finland and Sweden to improve BRP balance management possibilities.

Sincerely,

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UPM-Kymmene Corporation