

Public consultation on ACER's 2023 market monitoring report on cross-zonal capacities and the 70% margin available for cross-zonal electricity trade (MACZT)

Fields marked with * are mandatory.

Objective

The objective of this consultation is to gather views from stakeholders regarding the findings of ACER's market monitoring report on '**Cross-zonal capacities and the 70% margin available for cross-zonal electricity trade (MACZT)**'. Based on the findings of the report and the stakeholders' input gathered, ACER will issue a formal opinion to the European Commission and European Parliament by the end of 2023.

Target group

This consultation is addressed to all interested stakeholders, including market participants, regulatory authorities, nominated electricity market operators, and transmission system operators.

Contact and deadline

The contact point for this consultation is: ewpmm@acer.europa.eu

All interested stakeholders are invited to submit their comments ~~by 15 September 2023, 23.59 hrs (CET)~~ **by 22 September 2023, 23.59 hrs (CET)**.

More information on ACER's monitoring of cross-zonal capacities is available [here](#).

General terms of the consultation

* Name of the respondent

████████████████████

* Email

* Company

* Country of origin (headquarters)

* Countries where your company is active

* Activity

Please specify

* Should the following answers to this public consultation be treated as confidential?

- Yes
 No

The Agency will publish all non-confidential responses, and it will process personal data of the respondents in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data, taking into account that this processing is necessary for performing the Agency's consultation task. For more details on how the contributions and the personal data of the respondents will be dealt with, please see the [Agency's Guidance Note on Consultations](#) and [the privacy statement](#) referred to this consultation.

General feedback - Evolution of cross-zonal capacity levels

To what extent do you agree with the conclusions illustrated in ACER's 2023 market monitoring report on cross-zonal capacities and the 70% margin available for cross-zonal electricity trade (MACZT)?

- Strongly agree.
 Agree.
 Neutral.
 Disagree.
 Strongly disagree.

What changes would you suggest for future editions of ACER's cross-zonal capacity report?

Based on the data presented in Chapter 1 of ACER’s report, do you believe that the current development of cross-zonal capacities across the EU is sufficient to enable the integration of European electricity markets?

- Yes
- No

Please clarify your answer.

Margin available for cross-zonal trade in the EU in 2022





Considering the results of the monitoring exercise of 2022, do you believe that enough progress is being made across the EU to fulfil the 70% cross-zonal transmission capacity target by 2026?

- Yes
- No

Please clarify your answer.

In ACER’s report, several elements are presented as critical limitations to the achievement of the 70% cross-zonal transmission capacity target. Please rank them by order of relevance:

5 stars correspond to the biggest threat.

Lack of a mechanism to share remedial actions costs	
Lack of sufficient remedial actions	
Suboptimal bidding zone configuration and resulting loop flows	
Lack of sufficient grid developments	



Do you see any other threat to the achievement of the 70% target?

What would be the key enabler(s) for reaching the 70% target by 2026?

Have you been affected by unilateral capacity reductions, such as allocation constraints or individual validation adjustments?

- Yes
- No
- Not applicable

Please clarify your answer - in particular, the extent to which you were affected.

Do you believe that enough transparency and justification is provided by TSOs in the application of validation adjustments, or other similar unilateral reductions of cross-zonal capacities?

- Yes
- No

Please clarify your answer.

Do you consider that ACER's current MACZT monitoring exercise on regions that apply a CNTC capacity calculation methodology provides a complete assessment?

- Yes
- No

Please clarify your answer, and potential suggestions to improve this monitoring.

Unnecessary constrained capacities limit EU welfare

Do you believe that additional cross-border transmission capacity would have played a critical role in coping with the effects of the energy crisis of 2022?

- Yes
- No

Please clarify your answer.

Do you see a risk for re-dispatching costs to offset the potential gains from increased cross- border transmission capacity and further market integration?

- Yes
- No

Please clarify your answer.

Conclusions

Any other comment

CAN Europe recognises the importance of EU Member States cooperation in optimising energy trading and efficient use of the electricity infrastructure. As indicated by the PAC scenario (a bottom-up modeling performed by CSOs, in order to showcase how the EU can meet the Paris Agreement's goal of keeping the global temperature rise to 1.5C) renewable electricity generation must triple between 2020 and 2030, and renewables must cover 50% of gross final energy consumption in 2030 and 100% in 2040.

In order to achieve this goal:

- EU Member States must use the existing electricity infrastructure more efficiently, including cross-zonal trading. Increasing the electricity interconnection capacity is important to avoid unnecessary investments in distribution and transmission grids which in turn would save land, and energy, help make renewables deployment nature-positive, and minimise negative social impacts related to new grid infrastructure projects;
- A minimum 70% benchmark for interconnection capacity must be achieved by Member States by the indicated deadline (end of 2025) and perceived as a means of lowering electricity prices and minimising price shocks for end consumers. Knowing that surplus renewable energy fastly transmitted to another country, and its potential to be harnessed in full, can become a flexibility resource, we strongly support every effort made by ACER and TSOs towards the 70% target. The solidarity among the Member States is needed to achieve a paradigm shift of the internal European electricity market towards the Energy System of Tomorrow - an efficient, flexible, more interactive system based on 100% renewables.
- The year 2024 is key towards reaching the 70% rule, as derogations and exemptions will phase out. ACER should work with NRAs to ensure the target is met on all interconnectors and with a perspective of further increasing the capacity available to the market closer to 100%. ACER and NRAs, together with TSOs, need to take steps solving the underlying reasons for missing the target.
- As the existing bidding zone configuration seems to be a key issue that prevents meeting the 70% target, the results of the bidding zone review are urgently needed and, subject to the findings of the bidding zone review, the bidding zone configuration needs to be adjusted without much further delays, to better reflect market reality.
- Given the already occurring delays in the bidding zone review, the question should be addressed how European tasks like the bidding zone review can be organised more efficiently to ensure our electricity system is sufficiently agile for facilitating the energy transition towards a decarbonised electricity system.

Contact

[Contact Form](#)

