

## Annex II

### **Evaluation of responses to the public consultation on the proposal on intraday cross-zonal gate opening and gate closure times**

#### **1 Introduction**

Pursuant to Article 9(6)(k) and 59(1) of the CACM Regulation, all TSOs submitted the amended proposal regarding the IDCZGTs ('the Amended Proposal') to their respective regulatory authorities for approval. The date on which the last NRA received the Amended Proposal was 6 September 2017.

The regulatory authorities agreed to request the Agency to adopt a decision on the Amended Proposal, because they were not able to agree on all provisions of the Amended Proposal as described in the body of this decision. Therefore, in accordance with Article 9(12) of the CACM Regulation and Article 8(1) of Regulation (EC) No 713/2009<sup>1</sup>, the Agency became responsible for adopting a decision concerning the Amended Proposal as of 24 October 2017. In order to take an informed decision on the Amended Proposal, the Agency launched a public consultation on 9 January 2018 inviting all interested parties to express their views on potential amendments of the Amended Proposal. The closing date for comments was 30 January 2018.

More specifically, those potential amendments covered the following three topics:

Topic I: Feasibility of earlier regional IDCZGTs:

- (i) Do you find it reasonable to apply transitional IDCZGTs which can be after 15:00 D-1 in order to give TSOs sufficient time to gain operational experience with congestion management procedures and ID capacity calculation?
- (ii) Do you consider the proposed IDCZGT 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 IDCZGTs at 15:00 D-1?
- (iii) Do you consider that TSOs could further optimise their planned capacity calculation and congestion management processes to enable a transitional IDCZGT in some CCRs to be set to 21:00 or even earlier?

Topic II: Harmonisation of the IDCZGT:

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<sup>1</sup> OJ L 211, 14.8.2009, p. 1.

- (iv) Which option for the harmonisation of IDCZGOT do you prefer? Please, explain thoroughly why or, alternatively, propose a new concrete timing and add the reasoning for such a choice.
- (v) Do you consider it acceptable that each CCR can have a different target date for implementing the harmonised IDCZGOT, depending on specific circumstances in such CCR?

Topic III: Review of the IDCZGCTs:

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

## **2 Responses**

By the end of the consultation period, the Agency received responses from 28 respondents.

This evaluation paper summarises all received comments and responses to them. The table below is organised according to the proposed amendments in the consultation and provides the respective views from the respondents as well as the response from the Agency how their comments were taken into account.

**Respondents' views**

**ACER views**

**Question 1: Do you find it reasonable to apply transitional IDCZGOTs 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?**

**22 respondents favoured the answer YES** and some of them raised the following comments:

a) HSE Group, ČEZ, Gas Natural Fenosa, Enel, EFET: Prefer the transitional IDCZGOT to be 18:00. For EFET the IDCZGOT set at 22:00 means that many market participants (especially smaller ones) will only trade the following morning, with limited time for the first hours of the day. The option proposed by the Nordic TSOs to open the ID market before capacities are recalculated and to re-adjust capacities once the recalculation has been performed is a valid proposal. Transitional 18.00 would be a fair compromise, giving time for TSOs to perform the ID capacity calculation after day-ahead market clearing while at the same time ensuring that market participants, regardless of their size, have the opportunity to trade in the market and contribute to the liquidity of the first traded hours of the day.

b) AXPO: Transitional IDCZGOT should not be later than 17:00 D-1 in order to give market participants the possibility to make use of trading opportunities as soon as possible. With IDCZGOT outside business hours, smaller market participants could be pushed out of the market, reducing liquidity in the night and early morning hours of the ID market.

c) Channel TSOs: Currently, the foreseen process for ID capacity calculation does not allow an earlier IDCZGOT than 22:00h. IDCZGOT before 22:00 would mean that the capacity calculation and operational security analysis are not performed on latest available information,

**The Agency agrees with the majority of comments and applies the transitional IDCZGOTs per CCR.**

The Agency considers that the all TSOs' proposal for regionally harmonised IDCZGOTs can only be accepted as a transitional solution applicable from the start of SIDC until fully harmonised IDCZGOT can be applied (as from 1 January 2019 onwards).

Such approach will allow the launch of the first SIDC wave with regionally harmonised GTs, which will facilitate the implementation of XBID and from 1 January 2019 the IDCZGOT on all bidding zone borders participating in the SIDC should be at 15:00 market time day-ahead.

Regarding the transition period, the Agency considers that it can be rather short and that TSOs do not need additional time to gain experience with congestion management procedures and intraday capacity calculation. See the responses below that indicate the reasons why.

| Respondents' views   | ACER views |
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| <p>resulting in reduction of ID capacities, since calculation takes place on less accurate grid models and optimisation of remedial actions will not be performed around the latest market clearing point.</p> <p>d) EI+NVE+DERA: only if the transitional IDCZGOT is properly justified, and it does not imply discrimination between trade inside the concerned bidding zones and cross-border trades.</p> <p>e) Nordenergi, EDP, Enel: The transition period should not last longer than 12 months.</p> <p>f) OTE, CRE, Nord Pool, ENTSO-E: Transition period gives relevant TSOs sufficient time to gain operational experience with congestion management procedures and ID capacity calculation and allows subsequent harmonisation in the future.</p> <p>g) NordREG: Urges the transitory period to be short.</p> <p>h) EPEX: If TSOs are not given the chance to improve their calculations, the cross border ID markets will open at 15:00 without much interconnection capacity, which would be useless for interconnected markets. EPEX does not think that the earliest possible IDCZGOT will safeguard trading opportunities. To the contrary, if the IDCZGOT is too early, the risk is high that there will be no interconnection capacity left at all because TSOs will not have sufficient time for their recalculation process.</p> <p>i) URE: Believes that harmonisation cannot be achieved effectively at present as it will affect the performance of processes conducted by TSOs</p> |            |

| Respondents' views  | ACER views |
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| <p>in a negative way as well as it will threaten the correct functioning of interconnected electricity systems.</p> <p>j) EDF: An initial absence of full harmonisation of IDCZGOTs at European level does not seem to result in a substantial loss of welfare, as long as continuous markets at bidding zone level open soon enough in the afternoon of D-1. Indeed, it should be taken in due consideration that market participants need to rely on a trading period in D-1 that is large enough to easily trade the first delivery hours of the day. In general, EDF Group believes that cross-border ID trading should be opened as soon as possible after the calculation of scheduled exchanges resulting from the day-ahead coupling. The cross-border capacity initially made available for trading could be the one calculated for the day-ahead coupling which should be updated as soon as it is recomputed all along the trading period.</p> <p>k) ENTSO-E: Implementing an early IDCZGOT would mean that the allocation of capacity would coincide with other processes, for example the capacity calculation process, thus increasing the level of uncertainty and lowering the level of cross zonal capacity that could be offered to the continuous ID market under secure conditions and coincide with day-ahead scheduling activities (applicable for some countries that also have borders with countries that are not under CACM obligations).</p> |            |
| <p><b>1 respondent favoured the answer NO</b> and raised the following comment:</p> <p>a) UNIPER: In general, interim steps should be avoided because these create additional effort for the required adaptations. It should be</p>   |            |

| Respondents' views   | ACER views  |
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| <p>considered that each change has an impact on internal processes and external interfaces in this connection.</p> <p><b>2 respondents provided a specific answer:</b></p> <p>a) AREG, ENTSO-E: Specificities of central-dispatch systems need to be taken into account, together with the need to consider balancing and scheduling processes. In particular, central dispatch systems apply the so called Integrated scheduling process, which aims at co-optimising the schedules of dispatchable power plants (including unit commitment and dispatch) as well as reserve procurement, subject to technical and system constraints on a horizon of about one day in order to minimise the related costs of this process.</p> |   |
| <p>3 respondents provided no response to this question.</p>  |   |
| <p><b>Question 2: Do you consider the proposed IDCZGOT 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 IDCZGOTs at 15:00 D-1?</b></p>  |   |
| <p><b>12 respondents favoured the answer NO (i.e. not ambitious enough)</b> and some of them raised the following comments:</p> <p>a) EI+NVE+DERA, NordREG: The Hansa CCR includes DC-interconnectors with controllable flows and one radial AC with no loop flows. This implies less uncertainty for the TSOs in their capacity calculation and in principle it should mean that the performed recalculation of capacity in the ID timeframe will not change the capacities significantly. The IDCZGOT at 18:00 instead of 15:00 was said to be set due to capacity recalculation processes, but the capacity recalculation is currently envisaged later than 18:00. The processes</p>  | <p><b>The Agency concludes that the proposed IDCZGOT on these borders is essentially related to the time and amount of cross-zonal capacities that TSOs can offer to the intraday market.</b></p> <p>In the Agency's understanding, these issues should be an essential component of the intraday capacity calculation methodology, thus the Agency cannot predetermine it in the framework of the IDCZGOT decision. Instead, the Agency considers that the TSOs' concerns related to the intraday capacity calculation, internal and cross-zonal</p> |

| Respondents' views  | ACER views   |
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| <p>between 15:00 and 18:00 are related to the individual and common grid models.</p> <p>b) Österreichsenergie, TIWAG, Nordenergi, NordREG, TOE, Gas Natural Fenosa, EDF, EFET, EDP: Suggest to harmonise the IDCZGOTs in these CCRs at 15:00. TOE states that it reflects purely trading approach and technical or system constraint or circumstances should predominate while taking a decision. Gas Natural Fenosa states that if TSOs could not arrange their processes before the harmonised IDCZGOT, they should reach an agreement with the corresponding NRAs in order to have the IDCZGOT at a different time, as an exception. EFET states that the reasoning for later IDCZGOTs of the CCRs in question may be linked to the ID CCM proposals they made. For example, in the Hansa region, the concerned TSOs made the capacity calculation process subordinate to the capacity calculation in the CCRs it connects to (Nordic and Core), which is a fundamentally wrong approach.</p> <p>c) Nord Pool: Suggest that at least all the Baltic and relevant Hansa borders should have an IDCZGOT at 15:00, and the other Hansa and Channel borders initially later at 18:00. The reason is that ID trading in the Baltic countries and their borders (Estonia, Latvia and Lithuania) today has an IDCZGOT even before 15:00 and likewise some Hansa borders. The Channel borders are DC links and without flow based applied in DA, therefore the complexity for TSOs to compute capacity for ID should not last until late in the evening.</p> | <p>congestion management and scheduling could, if properly justified, be taken into account by defining, within the intraday capacity calculation methodology, the amount of capacity being made available at different times during the intraday market timeframe. Based on this understanding, the IDCZGOT in Hansa CCR as well as in other CCRs can be set to 15:00 as this does not necessarily prejudice the amount of cross-zonal capacities to be offered to the market at that time, as the latter will have to be determined in the framework of the intraday capacity calculation methodologies.</p> |

| Respondents' views   | ACER views |
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| <p><b>2 respondents favoured the answer YES (ambitious enough)</b> and some of them raised the following comments:</p> <p>a) URE: Considers an IDCZGOT set to 18:00 rather challenging and it should be kept in CCR Hansa and Baltic. The risk of setting earlier IDCZGOTs is in forcing the TSOs to make capacities available in a very prudent manner due to a lack of precise information during the capacity calculation process.</p> <p>b) ENTSO-E: Due to the operation of two parallel and non-coordinated markets (EU and Russian-Belarus) in Baltic CCR the capacities should be re-calculated. Leftover capacities from DA market cannot be given to intraday due to operational security reasons. Recalculation of capacities requires creation of CGM and performing security analysis by newly created entity, i.e. the Regional Security Coordinator, and these activities will have to be established and implemented. The same situation has been identified also in Hansa by continental TSOs. For Channel it is important that the intraday capacity calculation considers the latest available information (as per CACM requirement) from the Core (i.e. DA market clearing results).</p> |            |
| <p><b>3 respondents provided a different answer.</b></p> <p>a) HSE Group, ČEZ: The IDCZGOT should be harmonised for everyone at 18:00.</p> <p>b) Channel TSOs: Keep the IDCZGOT equal to 22:00. The question is not whether the defined IDCZGOT for Channel is ambitious, but whether TSOs are deemed to follow proper ID capacity calculation process.</p>  |            |



| Respondents' views  | ACER views   |
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| <p>Hence there is a trade-off between optimal ID capacity calculation and earlier IDCZGOT. Earlier IDCZGOT would result in reduced ID capacities and is only possible in case the ID market can be opened with reduced capacities compared to the DA remaining capacities to safeguard operational security.</p>  |  |
| <p>11 respondents provided no response to this question.</p>  |  |
| <p><b>Question 3: Do you consider that TSOs could further optimise their planned capacity calculation and congestion management processes to enable a transitional IDCZGOT in some CCRs to be set to 21:00 or even earlier?</b></p>   |  |
| <p><b>14 respondents favoured the answer YES</b> and some of them raised the following comments:</p> <ul style="list-style-type: none"> <li>a) Österreichsenergie, TIWAG, Nordenergi, ČEZ, EFET: Support the idea that the transitional IDCZGOT could be moved to 18:00.</li> <li>b) OTE, EDF: Support the idea that the transitional IDCZGOT could be moved to 20:00. OTE considers that taking into account also targets set by the draft Clean Energy Package, they find the 22:00 IDCZGOT late in the evening disadvantageous and potentially discriminatory for small market participants, utilities, generation, storage and demand resources which do not trade/fully operate in 24/7 mode. EDF considers that TSOs internal processes could be further optimised to strike the right balance between an efficient ID capacity calculation and congestion management processes and the need to maximise trading opportunities of market participants. Furthermore, TSOs did not provide enough evidence on the constraints related to performing ID capacity calculation and congestion management in parallel with a continuous cross-zonal ID</li> </ul> | <p>The Agency is of the opinion that ID capacity calculation process as proposed by TSOs could be further optimised. With this respect the 7-hour delay between the closure of the day-ahead markets and opening of the intraday market is unreasonably long.</p> <p>Nevertheless, the Agency acknowledges the challenges TSOs are facing with an earlier opening of the intraday markets. Since these challenges essentially relate to the time and volume of cross-zonal capacities that TSOs can offer to the intraday market to ensure operational security, the Agency's position is that the IDCZGOT should be understood as independent from these considerations. For this reason, the Agency finds a value in setting a fully harmonised IDCZGOT at 15:00 as early as possible, while however allowing TSOs gradually to adapt their intraday capacity calculation methodologies such that they can</p> |

| Respondents' views  | ACER views  |
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| <p>market, in particular regarding the impact on reliability margins considered in the capacity calculation.</p> <p>c) Gas Natural Fenosa, CRE: Support the idea that the transitional IDCZGOT could be moved to 21:00. CRE is of opinion that today, at the borders between France-Belgium, France-Germany and France-Switzerland, where an implicit continuous allocation is implemented for years, the IDCZGOT is set at 21:00 and we support the status quo on those borders. However, we do not consider, based on the information given by the TSOs, that it is possible in meshed networks, often congested after day-ahead, to shorten the processes of ID capacity recalculation in order to meet an IDCZGOT earlier than 21:00. We thus consider that on those borders where capacity calculation is of utmost importance to increase the available capacity, 21:00 shall be favoured.</p> <p>d) All NEMOs, Nord Pool: TSOs should explore all possibilities of an earlier IDCZGOT (21:00 or earlier) to provide market participants with sufficient time for trading.</p> <p>e) Enel: An IDCZGOT at 22:00 is later than the existing one (21:00) on most continental European borders. It is therefore representing a step back compared to the current situation. Without a detailed explanation from TSOs the interim IDCZGOT should be 18:00 D-1, in any case the IDCZGOT should not be later than 21:00.</p> | <p>offer as much cross-zonal capacities as early as possible after the IDCZGOT.</p> |
| <p><b>4 respondents favoured the answer NO</b> and some of them raised the following comments:</p> <p>a) ARERA: May support the effort to reach a future common IDCZGOT provided that this solution is made compatible with the scheduling</p>  |   |

| Respondents' views  | ACER views |
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| <p>process implemented in the Italian system, e.g. considering the possibility of a specific provision for CDS that allows at least to suspend the continuous trade during the run of the integrated scheduling process.</p> <p>b) URE: Only an IDCZGOT at 22:00 will ensure an efficient scheduling process of central dispatch systems and reliable data for the market participants, based on the outcome of concluded processes related to the DA market, including plan of necessary remedial actions which should be undertaken by TSOs in order to secure the outcome of the capacity calculation of the DA market.</p> <p>c) ENTSO-E: The TSOs consider that proposed timings represent ambitious targets considering the specific characteristics of each CCR and the new processes to be established. Some TSOs advocate that any other transitional or future target IDCZGOTs before 22:00 should only be based on sound analysis of improvement potential after the implementation of the respective DA and ID market models in the respective regions.</p> |            |
| <p><b>3 respondents provided a different answer:</b></p> <p>a) HSE Group: The IDCZGOT should be harmonised at 18:00.</p> <p>b) Channel TSOs: For Channel CCR it could be moved to 21:45 and in future even earlier.</p> <p>c) EDP: Reminds that the coexistence of ID explicit auctions with ID continuous markets should not be regarded as an element that adds complexity and hinders the adoption of a standard IDCZGOT at 15:00. Regional auctions should always be regarded as a complementary and</p>  |            |

| Respondents' views   | ACER views |
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| <p>transitional (in line with CACM Regulation) solution and should not impact in any way the definition of ID continuous market rules, including the setting of IDCZGOTs.</p> <p>d) Core TSOs: If TSOs will be forced to set an IDCZGOT before 22:00, it will increase the level of uncertainty about the generation and load patterns. Considering network security reasons and firmness obligations based on CACM Art. 71, TSOs would have to be more conservative in the capacity calculation, which is not in the interest of the market. Core TSOs need to finish the process of implementing flow-based capacity calculation for DA and ID before any new capacity is offered to the market because of the strong interdependencies of the power flows in the highly meshed transmission grid in the Core CCR. A sequence of actions (i.e. building the common grid model, capacity calculation etc.) has to be performed and this takes up to 22:00 to address the reasons above and the secure operation. Finally, setting the IDCZGOT at 15:00 would mean that ID trading would start before DA matching processes in the Core are finished (D-1 DA matching processes are set to 15:30 and in case of incidents even later). This holds as well for some Core TSOs (e.g. Croatia, Romania or Hungary) that have borders with non-EU Member States (e.g. Bosnia-Herzegovina, Serbia) which have explicit DA and ID allocations and DA cross-border schedules matching from 14:30 until 15:30. Basically, there will not even be a theoretical possibility for Core TSOs to open the ID market in a harmonised way at 15:00 since the matching cycle for DA cross-border exchanges is still ongoing.</p> |            |
| 7 respondents provided no response to this question.   |            |

| Respondents' views   | ACER views  |
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| <p><b>Question 4: Which option for the harmonisation of IDCZGOT do you prefer? Please, explain thoroughly why or, alternatively, propose a new concrete timing and add the reasoning for such a choice.</b></p> <ul style="list-style-type: none"> <li>a) The harmonised IDCZGOT shall be implemented within 12 months after the entry into force of the Agency's decision;</li> <li>b) The harmonised IDCZGOT shall be implemented within 36 months after the entry into force of the Agency's decision;</li> <li>c) The harmonised IDCZGOT shall be implemented in a CCR within 6 months after the implementation of intraday capacity calculation in that CCR.</li> </ul> |   |
| <p><b>11 respondents favoured the answer A</b> and some of them raised the following comments:</p> <ul style="list-style-type: none"> <li>a) Nordenergi: Option 'C' could impose a risk that the TSOs would delay the implementation of European ID trading.</li> <li>b) EDP: A Pan-European harmonisation of the IDCZGOT within a common timeframe would potentially generate more incentives for NRAs and TSOs to focus on coordinating efforts rather than on exploiting the differences in market design elements to postpone the convergence towards a harmonised IDCZGOT within a reasonable time horizon.</li> </ul>  | <p><b>The Agency concludes that most stakeholders favour firm and concrete implementation deadline for the harmonised IDCZGOT.</b></p> <p>Nevertheless, some stakeholders emphasised significant problems with such an approach as it would imply that congestion management and ID capacity calculation would need to run in parallel with the continuous ID market. While some stakeholders already pointed out some solutions how this could be managed (e.g. by exposing market participants to the risk of two parallel processes of congestion management and ID continuous market), the Agency considers that the decision on IDCZGOT should not impose solutions which are within the scope of other methodologies that TSOs need to develop pursuant to the CACM Regulation. The Agency understands that any capacity offered to the intraday market should be calculated pursuant to the intraday</p> |
| <p><b>4 respondents favoured the answer C</b> and some of them raised the following comments:</p> <ul style="list-style-type: none"> <li>a) NordREG: Implementation of a harmonised IDCZGOT should be the same date as when CCM for ID timeframe is implemented.</li> <li>b) CRE, Nord Pool: Propose that at least 12 -months shall be considered for TSOs to gain experience and to establish proper "experimentation results"</li> </ul>   |   |

| Respondents' views   | ACER views  |
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| <p>c) EFET: Fixed deadlines in the CACM have proved very inefficient to implement smart and sturdy solutions that improve market functioning. Whether initial lack of preparation or miscalculation in the Guideline of the time needed to develop proper methodologies is to blame, we often observe a last-minute rush on the part of TSOs to comply with deadlines, often resulting in disappointing outcomes and the number of amendment requests made by the NRAs on the methodologies proposed by the TSOs is indicative of that. Therefore, we believe a short deadline linked to the implementation of the ID CCM in each CCR would be more efficient.</p> <p>d) Direct energie: As long as the TSOs in a concerned CCR are not ready to implement an earlier IDCZGOT, there is no interest in having a harmonised (thus earlier) IDCZGOT. We think a more realistic target (and less dogmatic) would be to have the IDCZGOT at 18:00. The main reason is that 15:00 seems too close from DA market and thus will not bring enough added value for markets participants, as cross-zonal capacities calculation won't change a lot from DA calculation.</p> | <p>capacity calculation methodology, which should also define when this capacity is offered to the market taking into account operational security.</p> <p>The Agency therefore opted for an EU-wide harmonised IDCZGOT with an ambitious implementation time (1 January 2019 or 1 month after the approval of the intraday capacity calculation methodology), while providing some flexibility to define (within different complementary rules) when and how much cross-zonal capacity the TSOs can offer to the market and when the intraday market inside bidding zones will open. This solution allows the TSOs to take into account their specific concerns and NRAs to approve them if they are properly justified.</p> <p>Nevertheless, the Agency finds it important that TSOs and regulatory authorities strive towards full harmonisation of all related timelines such that internal and cross-zonal intraday gate opening times as well as the time when TSOs offer cross-zonal capacities remaining after the day-ahead market gradually converge towards the target solution of 15:00 market time day-ahead. This would imply that some TSOs need gradually to adapt their congestion management procedures, such that they can be applied in parallel to the operation of the intraday market.</p> |
| <p><b>2 respondents favoured the answer B</b> and one of them raised the following comment:</p> <p>a) EDF: A 36 months transitional period would allow all the involved parties to smoothly adapt to the final EU-wide harmonisation of an IDCZGOT at 15:00 D-1 and TSOs to develop ID capacity calculation methodologies which account for this target.</p> <p><b>7 respondents provided a different answer:</b></p>  |   |

| Respondents' views   | ACER views |
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| <p>a) UPM, TOE, AXPO: As soon as possible to create a level playing field.</p> <p>b) URE: An implementation of many projects, which will allow to set the IDCZGOT earlier than 22:00 is still pending. TSOs need time to develop and adjust them to perform the capacity calculation and other processes more efficiently.</p> <p>c) ARERA: In case the IDCZGOT is set to 15:00 without any possibility of interruption the TSO operating a central dispatch model will have to impose to the balancing services providers the priority of the integrated scheduling process outcomes on the ID continuous trades that can be done during the running of the process in order to preserve the efficiency and the security of the system. This implies an additional risk on the balancing services providers, because if the integrated scheduling process gives a mandatory obligation of provision on a capacity margin that has been traded in parallel in the ID market, such providers would be forced to re-trade in the ID continuous market in order to be compliant with the TSO requirement. If the opportunity to re-trade is endangered by low liquidity of the ID market, the balancing service providers are exposed to imbalance prices and it would discourage the participation in the continuous ID market before the scheduling process.</p> <p>d) ENTSO-E: All TSOs consider the approach to leave an open target date with the aim of gaining experience progressively with the future implementation of the CACM Regulation as the best way forward to properly define the most adequate harmonised IDCZGOT. Most TSOs are of the opinion that an IDCZGOT at 15:00 cannot be facilitated based on the current timings of the day-ahead market. In fact, the nomination</p> |            |

| Respondents' views   | ACER views  |
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| <p>gate for DA schedules is open until 15:30 for some cases in Continental Europe and then the TSO matching starts. Only once this process has been finished, the concerned TSOs know which schedules of the day ahead market have been confirmed.</p>   |   |
| <p>4 respondents provided no response to this question.</p>  |   |
| <p><b>Question 5: Do you consider it acceptable that each CCR can have a different target date for implementing the harmonised IDCZGOT, depending on specific circumstances in such CCR?</b></p>   | <p><b>While the Agency acknowledges the possibility that CCRs may have different circumstances that define the time and the level of cross-zonal capacity they can offer to the ID market, this is, in the Agency's view, not a sufficient reason to have different IDCZGOTs per CCR.</b></p> <p>The Agency defined the regionally harmonised IDCZGOTs (as proposed in the Amended Proposal) as a transitional solution until a fully harmonised IDCZGOT can be applied.</p> <p>However, the specific circumstances that may affect the time and the level of cross-zonal capacity they can offer to the ID market should, in the Agency's view, form an integral part of the intraday capacity calculation methodology. The Agency therefore considers that these circumstances should be explained and justified in the context of this methodology rather than being</p> |
| <p><b>20 respondents favoured the answer YES</b> and some of them raised the following comments:</p> <ul style="list-style-type: none"> <li>a) HSE Group, Gas Natural Fenosa, All NEMOs: Nevertheless, there should be a reasonable deadline.</li> <li>b) Nordenergi, ČEZ, OTE, Enel, Nord Pool: Only if it is reasoned and maximum 1 year (OTE: maximum 3 years).</li> <li>c) UNIPER, EPEX: Only in exceptional cases.</li> </ul> |   |
| <p><b>4 respondents favoured the answer NO</b> and one of them raised the following comment:</p> <ul style="list-style-type: none"> <li>a) Illwerke, Österreichsenergie, TIWAG, EDP: Only in exceptional cases, perhaps granted by ACER.</li> </ul>  |   |
| <p>4 respondents provided no response to this question.</p>  |   |



| Respondents' views   | ACER views   |
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|  | <p>predetermined within the decision on IDCZGOT. See also the response to the previous question.</p> <p>The Agency also notes that the implementation of harmonised IDCZGOT will to some degree still vary across regions, since it is conditional on the approval of intraday capacity calculation methodology within a CCR.</p>  |
| <p><b>Question 6: Do you agree with the exception from the harmonised IDCZGCTs and do you see other bidding zone borders than the EE-FI border where this exception could apply? If so, please explain why.</b></p> <p><b>17 respondents favoured the answer YES and some of them raised the following comments:</b></p> <ul style="list-style-type: none"> <li>a) Channel TSOs: Yes, but only for outside of Channel CCR.</li> <li>b) UPM: The additional 30 minutes that is offered by the exception can be used for additional BRP balance management as the market provides good possibilities to BRPs to actively do it.</li> <li>c) Nordenergi: Trading closer to real time is highly supported. The development must continue and later allow trading until the operational hour or quarter begins. In addition to having it possible to trade closer to real time, the TSOs need to allow later delivery of binding production plans or to drop them.</li> <li>d) UPM, Nordenergi: When the 30 minutes before the real time IDCZGCT was adopted in the EE-FI border, it was a significant ID market improvement in Finland. Removing this exception would be a deterioration to the current market rules and reduce market participants' balance management capabilities.</li> </ul> | <p><b>The Agency finds the shorter IDCZGCT for the EE-FI border justified, however further concrete bidding zone borders with shorter IDCZGCT were neither proposed to the Agency, neither could the Agency identify them itself.</b></p> <p>First, the Agency considers that a shorter IDCZGCT should not be considered as an exemption, but rather as the preferred solution since it maximises opportunities to market participants for adjusting their balances as close as possible to real time while still respecting the time needed for TSOs and market participants for their scheduling and balancing processes in relation to network and operational security.</p> <p>Second, the Agency recognises the complexity of setting the IDCZGCT shorter than 60 minutes before the market</p> |

| Respondents' views   | ACER views   |
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| <p>e) OTE: Exceptions should be explored also on other borders but more detailed analysis should be performed to identify the impact on a case-by-case basis as this change will put significant pressure on the timeline of the post-trade processes of the SIDC solution, including TSO business and in some markets also additional balancing markets.</p> <p>f) TOE: Provided good justification and considering all technical and balancing limitations, from a trading point of view, the closer to real time the IDCZGCT is, the better.</p> <p>g) EFET: A feeling that the market participants want to bring the IDCZGCT closer to real time to have more trading opportunities, whereas the TSOs want to maintain it further from real time for system security reasons is deceitful. By allowing market participants to use cross-zonal trade close to delivery, the need for residual balancing is reduced and thus system security is improved. Therefore, IDCZGCTs close to real time are beneficial both for market efficiency and system security.</p> <p>h) EDF: Setting the same gate closure time on the largest possible number of bidding zone borders would allow to avoid discrimination between market participants and would contribute to ensuring equal access to ID market irrespective of the location of market participants. Nevertheless, EDF does not see major obstacles to the introduction of an exception to the harmonised IDCZGCT between bidding zones whose TSOs' congestion management and balancing processes would not be negatively affected by such an evolution, e.g. where TSOs are applying a reactive approach.</p> | <p>time unit. This complexity is related to the implementation of balancing processes in accordance with Regulation (EU) 2017/2195. Given that many TSOs face significant congestion problems within bidding zones close to real-time, it is not obvious that allowing market participants to trade closer to real time would improve operational security. While this may be the case from the perspective of balancing the system, it is less straightforward from the perspective of avoiding network congestions close to real-time.</p> |

| Respondents' views  | ACER views |
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| <p>i) The possibility to have an exception should not only apply to one border if it could bring benefits (e.g.: structural differences in the generation mix on both sides of the border or countries where TSOs refrain from using Replacement Reserves as otherwise the value of cross-zonal flexible capacity could be exploited by cross-zonal procurement of Replacement Reserves).</p>   |            |
| <p><b>6 respondents favoured the answer NO</b> and some of them raised the following comments:</p> <p>a) Österreichsenergie, TIWAG: The IDCZGCTs and the balancing gate closure time energy have to match in order to maximise the residual capacity available to the internal intraday market to support its liquidity after TSO's calculations. However, it should be possible to have shorter gate closure times for the internal intraday market. In this context we would like to stress that gate closure times of the internal intraday market should be as close to real time as possible.</p> <p>b) Gas Natural Fenosa: The target of a harmonised IDCZGCT is to allow the full integration of CCRs in a European ID market. In this line the IDCZGCT should be the same for all TSOs trying to avoid the exceptions.</p> <p>c) ARERA: Such derogation shall take into account all the market processes foreseen in the Regulation (EU) 2017/2195, especially if it would cause an overlap of the ID market with the first balancing process, i.e. the exchange of RR.</p> |            |
| <p>5 respondents provided no response to this question.</p>   |            |

