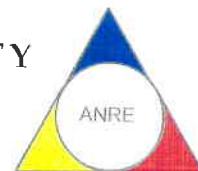




ROMANIAN ENERGY REGULATORY AUTHORITY



Mr. Alberto Pototschnig

Director

Agency for the Cooperation of Energy Regulators – ACER

Ref.: The definition of capacity calculation regions – Consultation document

Dear Mr. Pototschnig,

According to ACER's request regarding consultation under Article 8(1) of Regulation (EC) No. 713/2009 on the "All TSOs' proposal for Capacity Calculation Regions (CCRs) in accordance with Article 15(1) of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management" dated 29 October 2015 and submitted by the TSOs to all NRAs and to the Agency on 13 November 2015, please find bellow ANRE's answers:

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?

From ANRE point of view, the definition of the CCRs need to provide for a CCR resulted through merging the proposed CWE and CEE regions in order to ensure compliance with the required common congestion management procedure. This proposal brings several advantages for the internal electricity market:

- facilitate coordination between electricity trading zones in order to implement the electricity internal market and cross-border trade without barriers;
- facilitate the integration of the Romanian electricity market in the internal market giving access of the Romanian participants to a pan-European market,
- CWE region already applies the flow based capacity calculation methodology and the CEE region will also implement a similar methodology, according to CACM Regulation. Therefore, merging the two regions from the beginning, will allow the implementation of a common flow based methodology for calculating interconnection capacities, avoiding parallel development of two different methodologies which could lead to a delayed merger. Moreover, transmission system operators of CWE and CEE regions signed a memorandum of understanding on developing a common flow-based capacity calculation methodology for the day-ahead 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?

The geographical evolution of the CCRs over time needs to be supported by efficiency studies between alternative paths.

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?

The inclusion of the Romania - Hungary borders since the beginning in CEE was supported by stakeholders' comments during the public consultation of ENTSO-E. For topological and consistency reasons, the Romania - Hungary border need to be to the same CCR with the borders mentioned above and will be in accordance to CACM Regulation's provisions from art. 20.4 - *The TSOs from Member States which have borders with other regions are encouraged to join the initiatives to implement a common flow-based capacity calculation methodology with these regions.* Mention should be made that the 4M Market Coupling Day Ahead Market project was successfully completed, coupled Romania meaning bigger liquidity via a new border (RO-HU) involved in more efficient allocation procedure. Romania is also a member of the CWE CEE project. On RO-HU border HAR was adopted for long-term allocation, with a specific border annex harmonized with CEE rules and without major deviations to the general rules. Romania with the 4M MC partners aim coupling with MRC area, initially through day-ahead market coupling and implicit allocation of cross-border capacities calculated using NTC method, and after to perform flow-based coupling. Romania is also involved in initiatives to achieve intraday market coupling.

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

ANRE supports the all TSOs proposal regarding to include a bidding zone border between Germany/Luxembourg and Austria in the CEE region (or a merged one). It will be in accordance with the Agency Opinion 09/2015 dated 23 September 2015 regarding the compliance of the congestion management rules on the Germany/Luxembourg - Austria 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?

There are no other comments.

Sincerely yours,

Niculae Havrilet

President

