

Mr Alberto Pototschnig
ACER - Agency for the Cooperation of Energy Regulators
Trg republike 3
1000 Ljubljana
Slovenia

17 May 2016

Dear Alberto,

All regulatory authority approval concerning the proposal on Capacity Calculation Regions in accordance with Articles 9.6(b) and 9.10 of Regulation (EC) No 2015/1222

The CACM Regulation¹, and other European Network Codes, require regulatory authorities to make decisions on proposals. Where such decisions involve all regulatory authorities they are required to closely cooperate and coordinate with each other in order to reach an agreement.

In order to deliver these decisions in an efficient and transparent manner all regulatory authorities have established a new Energy Regulators' Forum (ERF), with rules of procedure to consult and cooperate to reach unanimous agreement. Agreement may include accepting or requesting amendment to proposals, or requesting a time extension or a decision from the Agency.

On 17 November all regulatory authorities received a proposal from all TSOs on Capacity Calculation Regions (CCRs), required by the CACM Regulation. Regulators have assessed the proposal and, despite their best endeavours, have been unable to reach a unanimous decision.

Therefore, in accordance with Article 9.11 of the CACM Regulation, the Agency shall adopt a decision concerning the submitted proposal within six months, in accordance with Article 8(1) of Regulation (EC) No 713/2009.

As Chair of the ERF I enclose a summary description of our discussions to assist the Agency in its deliberations:

- All regulatory authorities agree with the majority of the all TSO proposal. However, there appears to be common agreement that amendment to the proposal is required. This is to merge the CWE and CEE regions to create a CORE region, subject to appropriate governance arrangements. In addition, there appears to be common agreement that the proposal should be amended to require TSOs to resubmit a revised translation of the original English proposal if there is a translation issue.

¹ Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management

- All regulatory authorities do not agree whether the German Austrian border should be included in this proposal.

In adopting a decision I ask that the Agency take into account that all regulatory authorities have already undertaken significant individual and joint assessment of this proposal, and the description of our discussions that I have provided. We are of course ready to assist the Agency in any way necessary to develop and adopt a final decision.

Finally, whilst it is disappointing that, in this instance, we have been unable to reach a unanimous decision I have been pleased by the engagement and input of all regulatory authorities throughout the process. In addition, I believe that the process that we have put in place provides all regulatory authorities with the best possible opportunity to reach agreement on the future proposals arising from the CACM and other Regulations.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'John Mogg', written in a cursive style.

Lord Mogg

Chair of the ERF