

**ACER**

Agency for the Cooperation  
of Energy Regulators




COMMISSION  
DE RÉGULATION  
DE L'ÉNERGIE



Comisión  
Nacional  
de Energía



ERSE  
ENTIDADE  
REGULADORA  
DOS SERVIÇOS  
ENERGÉTICOS



9<sup>th</sup> IG Meeting  
ERI SW Electricity REM

Madrid, 3 November 2011

## ● AGENDA

1. Main topic: European Energy Work Plan 2011-2014.  
Informative session on the draft **Cross-Regional Roadmaps**
2. Deliverable I.1 **Long Term**
3. Deliverable I.2 **Day-Ahead Market Coupling**
4. Deliverable I.3 **Intraday**
5. Deliverable I.4 **Cross border balancing**
6. Deliverable II.1 **Regional Investment Plan**

## ● Deliverable I.1 Long Term Integration of IFE LT auctions in CASC: next steps

- SW Regional Work Plan foresees the preparation of IFE LT auctions transfer to CASC-EU by 3rd Q 2011.

DELIVERABLE I.1 Long term		
ACTION	RESPONSIBLE	DEADLINE
Decision on long term products and single interface for auctions.	ERSE and Spanish competent authorities	1 <sup>st</sup> quarter 2011
- IPE: Seek approval of LT coordinated product by ERSE and Spanish competent authorities - IFE: Preparation of LT auctions transfer to CASC-EU.	IG	3 <sup>rd</sup> quarter 2011
Approval of IPE rules implementing long term coordinated products in IPE.	ERSE and Spanish competent authorities	4 <sup>th</sup> quarter 2011
Approval of CASC-EU rules including IFE. REE becomes shareholder of CASC-EU.	CASC-EU, Spanish competent authorities	1 <sup>st</sup> quarter 2012
Transfer of IFE long term auctions to CASC-EU. (possibly FTRs depending on market coupling between SWE and CWE regions)	RCC and Spanish Ministry if needed	2 <sup>nd</sup> - 3 <sup>rd</sup> quarter 2012

## ● Deliverable I.1 Long Term Integration of IFE LT auctions in CASC: next steps

- Application of REE to join CASC.EU.
- Answer by CASC.EU? Are CASC.EU, RTE and REE committed to start auctioning IFE LT PTRs by mid 2012? If so, please, provide a timetable to:
  - » Include IFE in the CASC auction rules
  - » Close contractual agreements
  - » Make IT modifications
- In July 2011, RTE and REE announced that a MoU (with CASC.EU) should be established before end September. Is it signed already?

## ● Deliverable I.1 Long Term

### Integration of IFE LT auctions in CASC: next steps

- CNE and CRE to adapt IFE rules to the harmonised set of rules in force on CWE, CSE and Switzerland borders:
  - » Rules for annual and monthly auctions to be performed by CASC.EU
  - » Rules for day-ahead and intraday auctions to be performed by REE.
  
- Operational Procedure 4.1. to be updated.

# ● Deliverable I.1 Long Term

## Integration of IFE LT auctions in CASC: next steps

### ● Next steps:

DELIVERABLE I.1 Long term		
ACTION	RESPONSIBLE	DEADLINE
Decision on long term products and single interface for auctions.	ERSE and Spanish competent authorities	1 <sup>st</sup> quarter 2011
- IPE: Seek approval of LT coordinated product by ERSE and Spanish competent authorities - IFE: Preparation of LT auctions transfer to CASC-EU.	IG	3 <sup>rd</sup> quarter 2011
Approval of IPE rules implementing long term coordinated products in IPE.	ERSE and Spanish competent authorities	4 <sup>th</sup> quarter 2011
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- **Deliverable I.1 Long Term**  
Feedback from MIBEL on the IPE long term coordinated product. Integration of IPE LT auctions in CASC: RCC decision and TSOs feedback
- Background: June 2010, MIBEL Council of Regulators joint proposal for a coordinated LT product.
- Ranking of possibilities in terms of product and platform:
  - » **FTRs in CASC.EU** preferred solution (REN to join CASC)
- CEER preliminary analysis: discussion on feasibility of FTR-options vs FTR-obligations (counterparty risk; confort margin; financial regulation).

- Deliverable I.1 Long Term  
Extension of CASC
  - TSOs to report on the procedure to extend CASC.EU to other interconnections.
  - Practical implications for IFE and IPE.



# Deliverable I.2 Day-Ahead Market Coupling

Preparation at regional level

Progress report by REE, REN and OMIE

- The RCC supports the coupling of the SW region at the launch of the NWE market coupling project.
- In order to be prepared for this launch, all technical and contractual features must be ready for mid-2012 so that go live can take place by end 2012.
- ACER supports the early involvement of neighboring regions in the NWE coupling:

From the 5<sup>th</sup> AESAG meeting minutes:

- » *“ACER will send letters to the neighboring regions/areas as no area willing to join the project should be stopped.”*
- » *“ACER underlined that the PCR algorithm has to be a European one and in this context ACER already requested ENTSO-E to validate this algorithm”*

# ● Deliverable I.2 Day-Ahead Market Coupling

Preparation at regional level

Progress report by REE, REN and OMIE

- RCC encourages TSOs and PXs to progress in this topic and to comply with the timetable discussed in the Cross Regional Roadmap for DA.

Project milestones	2011		2012				2013				2014			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Procedural steps	1	2	5		8		8		8		8		8	
		3	6	☆	9	☆		☆		☆		☆		☆
		4	7											
NWE Price Coupling (CWE, NE, GB borders)						✓								
Integration of SWE borders						*	✓	✓						
Integration of CEE borders						*	✓	✓	✓	✓				✓

\* MIBEL, Hungary, Slovakia, and the Czech Republic are willing and committed to join EPC by end of 2012

# ● Deliverable I.2 Day-Ahead Market Coupling

Preparation at regional level

Progress report by REE, REN and OMIE

- RCC encourages TSOs and PXs to progress in this topic and to comply with the timetable agreed in the Work Plan 2011-2014

## Development and Implementation of new Generation Programming Process with CGT of DA MIBEL Market at 12h00 CET

→ This chronogram is prepared with the most updated information available and should be linked to the others from different Regional Initiatives



Main Milestones	2011												2012											
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC			
1. Joint proposal OMEL-REE-RTE-REN and road map for its implementation																								
a) Development of this joint proposal	■																							
b) Presentation of the joint proposal to RCC		■																						
c) Presentation of the joint proposal to the Market Parties				■																				
2. Identification and documentation of main required changes																								
a) Proposal of regulatory modifications					■	■																		
b) Documentation of required IT system changes					■	■																		
3. Establishment of a joint Action Plan and assignment of a MoU for implementing this joint proposal under this Action Plan										★														
4. Implementation of required changes																								
a) Request of regulatory modifications										■	■	■												
b) IT Specifications																								
c) IT testing Phase																								
d) Approval of regulatory modifications																								
e) Final Tests																								
5. Go live																								

## ● Deliverable I.3 Intraday RCC guidance for TSOs and PXs

- TSOs and PXs to implement the pan-European interim intraday solution as agreed in the Work Plan 2011-2014

DELIVERABLE I.3 Intraday		
ACTION	RESPONSIBLE	DEADLINE
Agreement on a target model for the regional interconnections in accordance with the FG on Congestion Management and Capacity Allocation	IG	1 <sup>st</sup> quarter 2011 (ENTSO-E 1 <sup>st</sup> quarter 2013)
Public consultation	SG	3 <sup>rd</sup> quarter 2011 (ENTSO-E 1 <sup>st</sup> quarter 2013)
Assessment of model agreed upon: feasibility study and simulation	IG	3 <sup>rd</sup> quarter 2011 (ENTSO-E 3 <sup>rd</sup> quarter 2013)
Testing phase and preparation of regulatory changes	IG	4 <sup>th</sup> quarter 2011 (ENTSO-E 4 <sup>th</sup> quarter 2013)
Legal approval of regulatory changes	RCC and Spanish Ministry	2 <sup>nd</sup> quarter 2012 (ENTSO-E 1 <sup>st</sup> quarter 2014)
CB intraday improved model in FR-ES and ES-PT go live	IG	4 <sup>th</sup> quarter 2012 (ENTSO-E 1 <sup>st</sup> quarter 2014)

## ● Deliverable I.3 Intraday RCC guidance for TSOs and PXs

- The priority is to implement the pan-European continuous interim intraday solution in IFE and IPE.
- The RCC invites TSOs and PXs of the SW region to participate as much as possible in the European intraday project which is now open for all the EU (not only NWE):

Intraday cross-regional roadmap:

- » *“NWE project is now extended to any other borders also ready to adopt the interim solution”*

## ● Deliverable I.3 Intraday RCC guidance for TSOs and PXs

- In the 5<sup>th</sup> SG meeting (July 2011), stakeholders preferred only continuous in IPE (and not to mix it implicit auctions).
- The MIBEL Council of Regulators still did not reach a formal position on the possibility to keep some intraday implicit auctions in IPE. Intraday implicit auctions in MIBEL are liquid and have proved to work well so far. For CNE and ERSE, the eventual elimination of all intraday auctions must be duly justified in terms of overall efficiency.
- Anyway, this local issue shall not impact in the progress towards the pan-European intraday continuous model.

# ● Deliverable II.1 Regional Investment Plan

## Update on the draft regional investment plan

DELIVERABLE II.1. Regional investment plan		
ACTION	RESPONSIBLE	DEADLINE
First regional investment plan (2011)		
(1 <sup>st</sup> edition) Information on structural congestions	TSOs	4 <sup>th</sup> quarter 2010
(1 <sup>st</sup> edition) Update on process and content of the regional investment plan	TSOs	1 <sup>st</sup> quarter 2011
(1 <sup>st</sup> edition) TSOs to deliver the regional investment plan	TSOs – regional TSO group within ENTSOE	4 <sup>th</sup> quarter 2011
(1 <sup>st</sup> edition) Feedback from regulators	RCC	1 <sup>st</sup> quarter 2012

## ● Deliverable II.1 Regional Investment Plan Update on the draft regional investment plan

- ENTSO-E news circulated on 21/10/2011:

### *ENTSO-E to hold regional workshops on the Ten-Year Network Development Plan and **Regional Investment Plans 2012***

*ENTSO-E will hold regional workshops with stakeholders between 29 November and 15 December 2011 in preparation for the next release of the Ten-Year Network Development Plan (TYNDP) and the Regional Investment Plans (RgIPs); due to be published in June 2012. The workshops will focus on the methodologies for the TYNDP & RgIP 2012 development and the preliminary results at regional level.*



Thank you for your attention



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