All TSOs' proposal for a Methodology for Calculating Scheduled Exchanges resulting from single intra-day coupling in accordance with Article 56 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management

01/12//2018

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All Transmission System Operators taking into account the following:

Whereas

1. This document is a common proposal developed by all Transmission System Operators (hereafter referred to as "**TSOs**"), which intend to calculate Scheduled Exchanges resulting from single intraday coupling (hereafter referred to as "**SIDC**"). The document provides a methodology for calculating Scheduled Exchanges resulting from the SIDC ("hereafter referred to as "**ID SEC Methodology**") in accordance with Article 56 of Commission Regulation (EU) 2015/1222 establishing a guideline on Capacity Allocation and Congestion Management (hereafter referred to as "**CACM Regulation**"). This proposal is hereafter referred to as "**ID SEC Proposal**".

2. The ID SEC Proposal takes into account the general principles, goals and other methodologies reflected in CACM Regulation. The goal of CACM Regulation is the coordination and harmonisation of capacity calculation and allocation in the day-ahead and intraday cross-border markets.

3. The ID SEC Proposal, in line with Article 56 of CACM Regulation, accommodates situations where there are more than one Nominated Electricity Market Operator (hereafter referred to as "NEMO") designated and/or offering intraday trading services in a particular geographic area. In addition, according to Article 4(1) of CACM Regulation, multiple NEMOs can be designated to perform SIDC in a Member State. For each NEMO, a NEMO trading hub shall be assigned. Where multiple NEMOs operate within a geographic area, there shall be multiple NEMO trading hubs within that geographic area.

4. The ID SEC Proposal shall consider situations where the bidding zone is equal to the scheduling area, as well as where there are multiple scheduling areas within a bidding zone.

5. This ID SEC Proposal provides for the calculation of Scheduled Exchanges between bidding zones, scheduling areas and NEMO trading hubs.

6. According to Article 9(9) of CACM Regulation, the proposed timescale for the implementation of the proposed ID SEC Methodology shall be included in the ID SEC Proposal.

7. The implementation of ID SEC Methodology uses the solutions developed for algorithm proposal in accordance with Article 37 of CACM Regulation (here after referred to as 'algorithm methodology'), arrangements developed in accordance with Article 57 of CACM Regulation for more than one NEMO within a Bidding Zone and arrangements developed for clearing and settlement between central counter parties and shipping agents in accordance with Article 77 of CACM Regulation. Thus the implementation should happen in co-operation with NEMOs applying common solutions to ensure consistency and alignment in flow calculations.

8. According to Article 9(9) of CACM Regulation, the expected impact of the proposed ID SEC Methodology, on the objectives of CACM Regulation, shall be described.

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- Article 3(a) of CACM Regulation aims at promoting effective competition in the generation, trading and supply of electricity.
  - The ID SEC Methodology, as it will use directly the results from SIDC does not impact on competition in the generation, trading and supply of electricity.

- Article 3(b) of CACM Regulation aims at ensuring optimal use of the transmission infrastructure.
  - The Scheduled Exchanges resulting from the ID SEC Methodology are derived directly from the results of SIDC i.e. they are based on the trades executed in the SIDC and as such allow for the optimal allocation of transmission capacity.

- Article 3(c) of CACM Regulation aims at ensuring operational security.
  - The ID SEC Methodology applies directly the results from SIDC. The ID SEC Methodology shall be initiated as post SIDC and shall have no influence on operational security under CACM Regulation.

- Article 3(d) of CACM Regulation aims at optimising the calculation and allocation of cross zonal capacity.
  - Scheduled Exchanges resulting from SIDC shall not modify the results of the single intraday market coupling session.

- Article 3(e) of CACM Regulation aims at ensuring fair and non-discriminatory treatment of TSOs, NEMOs, the Agency, regulatory authorities and market participants.
  - The ID SEC Methodology shall be fair, transparent and based on the results of SIDC.

- Article 3(f) of CACM Regulation aims at ensuring and enhancing the transparency and reliability of information.
  - The ID SEC Methodology comprises a step-wise, bottom-up approach (from each trade between NEMO trading hubs to be aggregated to scheduling area and to bidding zone) for the calculation of Scheduled Exchanges which ensures and enhances the transparency and reliability of the ID SEC Methodology.

- Article 3(g) of CACM Regulation aims at contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector in the Union.
  - The ID SEC Methodology shows clear cross-Network Code thinking in order to contribute to the efficient development of common European intraday electricity market. The ID SEC Methodology, through its construction facilitates the efficient long-term operation and development of the European transmission system.

- Article 3(h) of CACM Regulation aims at respecting the need for a fair and orderly market and fair and orderly price formation.
  - The ID SEC Methodology does not interfere with or compromise a fair and orderly market and price formation as it has no influence on the results of SIDC.

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- Article 3(i) of CACM Regulation aims at creating a level playing field for NEMOs.
  - The ID SEC Methodology creates a level playing field for NEMOs as it has no influence on the results of SIDC. Additionally, the ID SEC Methodology supports scenarios where there are multiple NEMOs within a bidding zone or scheduling area.

- Article 3(j) of CACM Regulation aims at providing non-discriminatory access to cross-zonal capacity.
  - The ID SEC Methodology does not interfere with the provision nor allocation of cross-zonal capacity.

SUBMIT THE FOLLOWING ID SEC METHODOLOGY TO ALL REGULATORY AUTHORITIES:

Article 1 - Subject matter and scope

1. All TSOs lay down in this ID SEC Proposal the requirements to calculate Scheduled Exchanges resulting from SIDC, the information required from all NEMOs for the calculation of Scheduled Exchanges.

2. The outputs of the applied ID SEC Methodology shall be, for each market time unit:
   a) Scheduled Exchanges between bidding zones
   b) Scheduled Exchanges between scheduling areas
   c) Scheduled Exchanges between NEMO trading hubs

3. The scope of the ID SEC Methodology does not extend to the assignment of roles and responsibilities to specific parties. Also the governance framework for specific roles or responsibilities is out of scope of the ID SEC Proposal. These aspects shall be defined by the TSOs, where required in accordance with Article 8(2)(g) of CACM Regulation.

Article 2 - Definitions and interpretation

1. For the purposes of this ID SEC Proposal, terms used shall have the meaning of the definitions included in Article 2 of CACM Regulation, Commission Regulations (EU) 543/2013 and (EU) 1227/2011 as well as Article 3 of Regulation (EU) 2017/1485, with the exception of the definition of 'scheduling area'. In addition, the following definitions shall apply:

   a) 'NEMO trading hub' shall have the meaning as defined in the terms and conditions or methodologies pursuant to Article 37 and Article 45 of CACM Regulation;
   b) 'Scheduling area' means a scheduling area according to Article 3(2)(91) of the Regulation (EU) 2017/1485 with at least one NEMO trading hub;
   c) 'Scheduled Exchanges between NEMO trading hubs' means 'electricity transfer scheduled between NEMO trading hubs operating within or between scheduling areas or bidding zones', as defined in

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the ACER Decision No 08/2018 on the all NEMOs' proposal for the price coupling algorithm and the continuous trading matching algorithm;

2. The term 'Scheduled Exchange' is defined within Article 2 of CACM Regulation. For the purposes of the ID SEC Proposal, the term 'geographic area' means both scheduling area and bidding zone. The notion of 'NEMO trading hub' is required in order to ensure proper functioning of post market coupling processes under clearing and settlement arrangements where multiple NEMOs are active in a bidding zone or scheduling area in accordance with the requirements contained within Article 45 of CACM Regulation.

3. In this ID SEC Proposal, unless the context requires otherwise:
   a) the terms used apply in the context of the SIDC
   b) the table of contents and headings are inserted for convenience only and do not affect the interpretation of this methodology; and
   c) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force.

Article 3 - List of Information Required from Relevant NEMOs

1. The Scheduled Exchanges calculation will form an integral part of the continuous trading matching algorithm pursuant to the algorithm methodology. The Scheduled Exchange Calculator shall therefore consider the requirements set forth in the methodology for the continuous trading matching algorithm pursuant to Article 37(5) of the CACM Regulation.

2. All NEMOs shall ensure that the following information is provided pursuant to the algorithm methodology and Article 43(2) of CACM Regulation, resulting from the SIDC, to all TSOs, for each market time unit:
   a. Scheduled Exchanges for each bidding zone border, between scheduling areas and between NEMO trading hubs;
   b. where relevant, Scheduled Exchanges into and out of individual relevant DC interconnectors (difference in Scheduled Exchanges in/out reflecting losses where applicable);
   c. the execution status of orders and prices per trade; and
   d. a single net position for each bidding zone participating in the SIDC and each MTU.

Article 4 - Calculation of Scheduled Exchanges between bidding zones, scheduling areas and NEMO trading hubs

1. Scheduled Exchanges between NEMO trading hubs are provided as a result of the SIDC in the form of all aggregated trades concluded between NEMO trading hubs across bidding zone borders and scheduling area borders.

2. For each trade where the source and sink area is in different scheduling areas, the shortest path rule shall be applied. This path is obtained by minimising a target function similar to the one used in the

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methodology for calculating scheduled exchanges resulting from single day-ahead coupling in accordance with article 43 of the CACM Regulation, with cost coefficients being adapted to the single intraday coupling structure.. In general a cross border trade might require the transportation of power via several paths.

3. For each trade where the source and sink area is within the same scheduling area, the trades will be concluded without impacting the scheduled exchanges between scheduling areas and/or bidding zones.

4. The Scheduled Exchanges between NEMO trading hubs shall be aggregated for the detailed output on the required level of Scheduled Exchanges pursuant to Article 3 of this ID SEC Methodology, i.e. Scheduled Exchanges between bidding zones and between scheduling areas.

5. TSOs and NEMOs shall review the cost coefficients used in the SIDC regularly, at least once every two years. NRAs shall be informed of the changes.

Article 5 - Implementation of the ID SEC Proposal

1. The TSOs shall implement the ID SEC Proposal when the intra-day market coupling operator function developed in accordance with Article 7(3) of the CACM Regulation and, where relevant, arrangements concerning more than one NEMO in accordance with Article 57 of the CACM Regulation are implemented on each bidding zone and its borders

Article 6 - Language

1. The reference language for this ID SEC Proposal shall be English. For the avoidance of doubt, where TSOs need to translate this ID SEC Proposal into their national language(s), in the event of inconsistencies between the English version published by TSOs in accordance with Article 9(14) of the CACM Regulation and any version in another language, the relevant TSOs shall be obliged to dispel any inconsistencies by providing a revised translation of this ID SEC Proposal to their relevant national regulatory authorities.