

CORE CCR - Proposal for the 2nd amendment of the Intraday Flow-based Capacity Calculation Methodology



EFET response – 4 April 2022

The European Federation of Energy Traders (EFET¹) welcomes the Core CCR TSOs' consultation for the second amendment of the Intraday Capacity Calculation Methodology of the Core Capacity Calculation Region in accordance with article 20ff. of the Commission Regulation (EU) 2015/1222 of 24th July 2015 establishing a guideline on capacity allocation and congestion management.

Concerning the alignment with CORE ROSC DA CROSA process

- Explanatory documents fail to introduce the imposed timing of the CGM, ROSC and IDCC processes – and the interdependencies between them – making it difficult for the market participants to express an informed view on the proposed amendments.
- We understand that the IDCC process needs to be based on the ROSC outputs (including IGMs and proposed/agreed coordinated RAs) to ensure that the highest possible capabilities available are offered to the market while considering all possible conditions resulting from the security of the system operation. Yet, accordingly to TSOs, there are doubts on the feasibility of doing iteratively these two processes within the timing defined by the CCM requirements.
- The parallelization of both these processes is considered to increase risk for unreliable results and compromised grid security. According to CORE TSOs, the best feasible solution to tackle this issue (“target solution”) eventually consists in
 - (i) taking as input for the IDCC process expected results from the ROSC process (obtained as result of the 1st RAO run) and to
 - (ii) skip NRAO step.
- We deplore that no information has been shared concerning the impact of the deletion of the NRAO while these topological measures are a major level for the optimization of the network use.
- We ask TSOs to share an assessment of the resulting under optimization of ID flow-based domain, and the potential impact on the level of ID cross-border capacities. Without this information, it is difficult for market participant to express an informed view on the TSOs proposal.
- There should be no step back with the alignment of these process, and there should be no reduction of intraday capacity
- Also what are the risks related to the consideration of “expected results of the ROSC – 1st RAO run) rather than the results of the 2nd RAO run.

Concerning the inclusion of an additional step for the application of the art. 31 of ROSC methodology

- We ask CORE TSOs to share with market participants their approach concerning the best timing to activate RAs once congestions (as a result of the DA allocation for

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example) are detected through the ROSC process (e.g. the closer to the real-time, or the sooner possible).

Concerning the new ID ATC Extraction Methodology for negative ATCs

- We understand that negative RAM are already present as no LTA inclusion nor minRAM are applied in ID, so that the DA Market Clearing Point can turn out to be outside of the ID updated FB domain. The question is how to transform those negative RAM to negative ATC over BZ borders (that are bilateral per default). As long as there is no FB allocation in ID, an ex-ante choice (probably at the expense of market efficiency) has to be made on how to allocate positive/negative RAM to BZB. While the allocation of positive RAM is done via the already applied *iterative process* (where all border with positive ZZZ PTFD receive an equal share of the RAM, then transformed to ATC by applying the Z2CNEC PTFD), we understand that this can create disproportionate issues when applied to negative RAM. Dividing share of RAMs by small PTFD results in large negative ATC which longer blocks trade on an oriented BZB while the effect in terms of security is negligible. The proposed solution by TSO is to share the negative RAM to BZB proportionally to the Z2CNEC PTFD. Dividing by small PTFD will still be done, but the negative RAM share is smaller, resulting in negative ATC that can more rapidly get positive again (thanks to trades in the opposite direction of the oriented BZB).

In consequence the advantage of being situated far from a constraint (small PTFD) when allocating positive RAM becomes a (probable disproportionate) disadvantage when allocating negative RAM.

We therefore support CORE TSO proposal. However we would welcome educational presentation on this complex matter at the next CORE CG meeting.

Also it is not clear whether this also apply to DA domain that were built based on FB and LTA domain (ELI/BALAS formulation).