Market participants' view on the TSOs' CACM proposals

<u>CACM Recital 3:</u> This Regulation sets out minimum harmonised rules for the ultimately single day-ahead and intraday coupling, in order to provide a <u>clear legal framework</u> for an <u>efficient and modern capacity allocation</u> and congestion management system, <u>facilitating Union-wide trade in electricity</u>, allowing <u>more efficient use of the network</u> and increasing competition, for the benefit of consumers

EFET, eurelectric, MPP & Nordenergi think the TSOs' proposals published so far generally fail these objectives

- Capacity Calculation Methodologies:
 - Most of the CCMs lack the level of detail expected from a methodology: the proposals describe the "what", but not the "how".
 - The lack of transparency on the methodologies that will be applied in the end leaves market participants in the dark about the way the network will be operated.
 - The various CCMs seem to have been written in isolation without describing the required overall optimisation of the European Grid.
- Countertrading & Redispatching: similarly to the CCM, the proposed methodologies general lack the level of detail expected – amongst others:
 - No detailed description on how remedial actions are used in the CC process in order to maximize welfare
 - No guarantees in terms of transparency
 - No explanation on how redispatching actions are counterbalanced









Market participants' view on the TSOs' CACM proposals

CACM was already too vague to become a NC. Now we need real details in the methodologies.

What are we waiting for ?

- How will we move towards real coordinated capacity calculation and CRC at regional level?
- How is the regulatory framework in each country adapted in order to give TSOs the right tools and incentives?



"What if we don't change at all ... and something magical just happens?" As the Council's CEP proposals threaten the robustness and objective of the capacity calculation process (see our joint statement), TSOs, NRAs and market participants need to agree on sturdy CCMs/CRCs and to show the relevance of the CACM GL







