

**All Baltic CCR TSOs' proposal for the
fallback procedures in accordance with
Article 44 of the Commission Regulation
(EU) 2015/1222 of 24 July 2015
establishing a guideline on capacity
allocation and congestion management**

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Table of Contents

All Baltic CCR TSOs’ proposal for the fallback procedures in accordance with Article 44 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management..... 1

Whereas 3

Article 1 Subject matter and scope 4

Article 2 Definitions..... 4

Article 3 Fallback Procedures in the event that the single day-ahead coupling process is unable to produce results..... 4

Article 4 Publication and implementation of the Fallback Procedures Proposal..... 5

Article 5 Language 5

All Baltic CCR TSOs, taking into account the following,

Whereas

- (1) This document is a common proposal developed by Baltic Capacity Calculation region (hereafter referred to as “Baltic CCR”) Transmission System Operators (hereafter referred to as “TSOs”) regarding the development of a fallback procedures (hereafter referred to as “Fallback Procedures”) in accordance with Article 44 of Commission Regulation (EU) 2015/1222 establishing a guideline on Capacity Allocation and Congestion Management (hereafter referred to as the “CACM Regulation”). This proposal is hereafter referred to as “Fallback Procedures Proposal”.
- (2) The Fallback Procedures Proposal takes into account the general principles and goals set in the CACM Regulation as well as Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity (hereafter referred to as “Regulation (EC) No 714/2009”). The goal of the CACM Regulation is the coordination and harmonisation of capacity calculation and allocation in the day-ahead and intraday cross-border markets. It sets for this purpose requirements for robust and timely fallback procedures to ensure efficient, transparent and non-discriminatory capacity allocation in the event that the single day-ahead coupling process is unable to produce results, known as the Fallback Procedures.
- (3) According to Article 9 (9) of the CACM Regulation, the expected impact of the proposed fallback procedures on the objectives of the CACM Regulation has to be described. The impact is presented below.
- (4) In accordance with Article 9 (9) of the CACM Regulation, the proposed Fallback Procedures across the Baltic CCR contributes to and does not in any way hinder the achievement of the objectives of Article 3 of CACM Regulation. The Fallback Procedures ensure a transparent and non-discriminatory approach towards facilitating cross zonal capacity allocation in the event that the single day-ahead coupling process is unable to produce results. Market participants will have access to the same reliable information on cross-zonal capacities and allocation constraints for day-ahead allocation, at the same time and in a transparent way. This supports the CACM objective of ensuring and enhancing the transparency and reliability of information.
- (5) When preparing the Fallback Procedures Proposal, Baltic CCR TSOs took careful consideration of the objective of creating a level playing field for Nominated Electricity Market Operators (hereafter referred to as NEMOs) (Article 3(i) of the CACM Regulation).
- (6) In conclusion, the Fallback Procedures Proposal takes into account existing solutions and contributes to the general objectives of the CACM Regulation to the benefit of all market participants and electricity end consumers.

SUBMIT THE FOLLOWING FALLBACK PROCEDURES PROPOSAL TO ALL REGULATORY AUTHORITIES:

Article 1
Subject matter and scope

The Fallback Procedures as determined in this Fallback Procedures Proposal shall be considered as the common proposal of all Baltic CCR TSOs in accordance with Article 44 of CACM Regulation and shall cover the Fallback Procedures for:

- a. all existing and future bidding zone borders and interconnectors included in Baltic CCR to which the CACM Regulation applies; and
- b. interconnectors which are owned by TSOs or by other legal entities and are included in Baltic CCR.

Article 2
Definitions

For the purposes of the Fallback Procedures Proposal, terms used in this document shall have the meaning of the definitions included in Article 2 of the CACM Regulation, of Regulation (EC) 714/2009, Directive 2009/72/EC and Commission Regulation (EU) 543/2013.

Fallback procedure identify two overall fallback situations: Partial decoupling and full decoupling. In case of partial decoupling, one region might experience problems and therefore has to be decoupled from the rest of regions, which continue to be coupled. In case of full decoupling, all regions and bidding zones are decoupled from each other.

Article 3
Fallback Procedures in the event that the single day-ahead coupling process is unable to produce results

1. Fallback procedures shall be initiated in Baltic CCR when single day-ahead coupling declares full decoupling or a partial decoupling.
2. In the event of full decoupling or a partial decoupling before the 20:00 (CET), the relevant NEMO (or NEMOs) shall use the single day-ahead coupling system in a regional setup to calculate net positions and prices for each bidding zone of Baltic countries with the goal to keep Nordic and Baltic bidding zones coupled, unless it being impossible at the time.
3. The calculation mentioned in Article 3(2) shall include the network data and order data of Baltic and Nordic CCRs that was part of the single day-ahead coupling for the given day, unless it being impossible at the time. The calculation shall also be coordinated with the fallback procedures of Nordic CCR and Hansa CCR.
4. In the event that the single day-ahead coupling process is unable to produce results, meaning the NEMO (or NEMOs) is not able to determine the day-ahead implicit allocation results as prices and scheduled exchanges before 20:00 (CET) on the day prior to the delivery day on one or on all bidding zone borders, the allocation results from the Previous Day will be deemed valid hour by hour in respect of both prices and scheduled exchanges for the delivery-day in question.
5. The Previous Day means the previous working day if the single day-ahead coupling process failure has effect on a working day, and the previous weekend day or public holiday, as appropriate, if the auction failure has effect on a Saturday, Sunday or public holiday. Working day means days from Monday to Friday, not including legal public holidays which are identified through coordination process with neighbouring CCRs (Nordic and Hansa).

Article 4

Publication and implementation of the Fallback Procedures Proposal

The TSOs shall publish and implement the Fallback Procedures Proposal without undue delay after all NRAs have approved the proposed Fallback Procedures or a decision has been taken by the Agency for the Cooperation of Energy Regulators in accordance with Article 9(11) and 9(12) of the CACM Regulation.

Article 5

Language

The reference language for this Fallback Procedures Proposal shall be English. For the avoidance of doubt, where TSOs need to translate this Fallback Procedures 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, in accordance with national legislation, provide the relevant national regulatory authorities with an updated translation of the Fallback Procedures Proposal.