

**ACER Decision on Core LTTR: Annex I** 

# Second amendment of the Regional design of long-term transmission rights of the Core capacity calculation region

in accordance with Article 4(12) of Commission Regulation (EU) 2016/1719 establishing a guideline on forward capacity allocation

**30 October 2019** 

## Contents

Whereas			
Article 1.	Subject matter and scope	4	
Article 2.	Entry into force	4	

#### Whereas

- (1) This document sets out a second amendment to the regional design of long-term transmission rights of the Core capacity calculation region in accordance with Article 4(12) of Commission Regulation (EU) 2016/1719 establishing a guideline on Forward Capacity Allocation (hereafter referred to as the 'FCA Regulation').
- (2) On 14 October 2017 the Core national regulatory authorities approved the Core TSOs' proposal for the regional design of long-term transmission rights of the Core capacity calculation region (the 'Core LTTR Design') in accordance with Article 31 of the FCA Regulation.
- (3) On 19 July 2018, the Core national regulatory authorities approved the first amendment of the Core LTTR Design that introduced long-term transmission rights at the CZ-SK and DE/LU-AT bidding zone borders.
- (4) On 20 November 2018, the Core TSOs decided to strive for the introduction of Financial Transmission Rights Options (FTR Options) on the NL-DE/LU and the FR-DE/LU bidding zone borders as of 01/01/2020.
- (5) On 29 May 2019, Core regulatory authorities received a second amendment proposal of the Core LTTR Design. The second amendment proposal aims to introduce FTR Options at some additional bidding-zone borders, where there are currently no LTTRs, or where TSOs currently offer physical transmission rights with use-it-or-sell-it principle ('PTR').
- (6) On 3 July 2019, the Agency received a letter from the Core national regulatory authorities explaining that they unanimously agreed on requesting the Agency to adopt a decision pursuant to Article 4(11) of the FCA Regulation. The present document sets out the second amendment of the Core LTTR Design as decided by the Agency.
- (7) FTR Options on the BE-DE/LU bidding zone border should be introduced after the go live of the direct-current interconnector ALEGrO.
- (8) The national regulatory authorities of the DE-AT-PL-4M MC project (market coupling on DE/LU-PL, DE/LU-CZ, CZ-PL, SK-PL, AT-CZ and AT-HU bidding zone borders) requested the respective TSOs to implement FTRs on the AT-CZ, AT-HU borders for the long-term allocation in parallel with the implementation of the single day-ahead coupling on those borders. Therefore, after the date of implementation of single day-ahead coupling on those borders, all long-term cross-zonal capacities on those borders will be allocated in the form of FTR Options, without affecting the status of the already allocated PTRs.
- (9) This second amendment to the regional design of long-term transmission rights of the Core capacity calculation region does not change the impact of the previously approved Regional design of long term transmission rights of the Core capacity calculation region on the objectives of the FCA Regulation. The evaluation of the impact on the objectives of the FCA Regulation contained in the already approved Regional design of long term transmission rights of the Core capacity calculation region is therefore also valid for this amendment.

#### Article 1. Subject matter and scope

1. Table I of Article 5 of the Core TSOs' LTTR Design shall be amended for the NL-DE/LU, the FR-DE/LU, the BE-DE/LU, the AT-CZ and the AT-HU bidding zone borders as follows:

Table I: Long-term transmission rights type of Core bidding zone borders

Core CCR borders	Type of long-term transmission right
NL-BE	FTR Options
NL-DE/LU	FTR Options
BE-FR	FTR Options
BE-DE/LU	FTR Options
FR-DE/LU	FTR Options
PL-DE/LU	Physical transmission rights pursuant to UIOSI principle
PL-CZ	Physical transmission rights pursuant to UIOSI principle
CZ-DE/LU	Physical transmission rights pursuant to UIOSI principle
PL-SK	Physical transmission rights pursuant to UIOSI principle
AT-DE/LU	FTR Options
AT-CZ	FTR Options
AT-SI	Physical transmission rights pursuant to UIOSI principle
SI-HR	Physical transmission rights pursuant to UIOSI principle
HR-HU	Physical transmission rights pursuant to UIOSI principle
AT-HU	FTR Options
HU-SK	Physical transmission rights pursuant to UIOSI principle
HU-RO	Physical transmission rights pursuant to UIOSI principle
CZ-SK	Physical transmission rights pursuant to UIOSI principle
SI-HU <sup>1</sup>	Physical transmission rights pursuant to UIOSI principle

- 2. A paragraph (4) shall be added to Article 8 of the Core TSOs' LTTR Design as follows:
  - 4. The regional design of long-term transmission rights on the BE-DE/LU bidding zone border shall be effective at the date on which the first provisional auction specification for long term transmission rights auction is published.

The change of the long-term transmission right type, i.e. from physical transmission rights pursuant to UIOSI principle to FTR Options, on the AT-CZ and AT-HU bidding zone borders shall be effective at the date on which the first provisional auction specifications for long-term transmission rights auction, following the implementation of the single day-ahead coupling on the CZ-AT and AT-HU bidding zone borders, are published. The change of the type of the long-term transmission right shall not apply to already allocated transmission rights.

4

<sup>&</sup>lt;sup>1</sup> Reference to SI-HU bidding zone border will become effective in accordance with Article 5(4) of the Determination of CCRs established by ACER Decision No 06/2016.

### Article 2. Entry into force

1. Article 1 of this second amendment shall enter into force with the approval by the relevant National Regulatory Authorities in accordance with the procedure laid down in Article 4 of the FCA Regulation, but earliest for the first auction for the time frame 2020.