













## 3<sup>rd</sup> amendment of the Core CCR TSOs' regional design of long-term transmission rights based on article 4(12) of Commission Regulation (EU) 2016/1719

20<sup>th</sup> February 2020

| Purpose:      | ☐ methodology draft | ☐ for public consultation |
|---------------|---------------------|---------------------------|
|               |                     | ☐ for final publication   |
| Status:       | ☐ draft             | ⊠ final                   |
| TSO approval: | ☐ for approval      | ⊠ approved                |
| NRA approval: | □ outstanding       | □ approved                |

## **Whereas**

- (1) This document sets out a third amendment based on article 4(12) of Commission Regulation (EU) 2016/1719 (FCA Regulation) to the Core CCR TSOs' methodology for the regional design of long-term transmission rights in accordance with article 31 FCA Regulation (Core TSOs' LTTR Design).
- (2) On 14 October 2017 the CCR Core national regulatory authorities approved the Core CCR TSOs' methodology for the Core TSOs' LTTR Design.
- (3) On 19 July 2018, the Core national regulatory authorities approved the first amendment to the Core LTTR Design that introduced long-term transmission rights at the CZ-SK and DE/LU-AT bidding zone borders.
- (4) On 30 October 2019 the European Union Agency for the Cooperation of Energy Regulators (ACER) with its decision No 15/2019 approved the second amendment to the Core TSOs' LTTR Design that introduced the implementation of financial transmission rights options (FTRs) at the bidding zone borders AT-CZ, AT-HU, DE/LU-BE, DE/LU-FR and DE/LU-NL.
- (5) This third amendment to the Core TSOs' LTTR Design introduces the switch from physical transmission rights with use-it-or-sell-it principle (PTRs) to FTRs on the bidding zone borders AT-SI, CZ-DE/LU, CZ-SK, HU-SK, HU-RO, HR-HU, PL-CZ, PL-DE/LU, PL-SK and SI-HU.
- (6) Core TSOs respect that due to an interstate agreement between SI and HR there is no introduction of FTRs possible at the SI-HR bidding zone border yet. Core TSOs will monitor the situation on SI-HR border and other Core CCR internal bidding zone borders in the day-ahead market. If necessary for avoidance of distortive effects on the relevant markets, Core TSOs will apply for an amendment to this proposal, and the Croatian and Slovenian TSOs shall assess whether the implementation of FTRs on the SI-HR bidding zone border may be performed via a modification or annulation of the interstate agreement.
- (7) This third amendment to the Core TSOs' LTTR Design does not change the impact of the previously approved Core TSOs' LTTR Design on the objectives of the FCA Regulation. The evaluation of the impact on the objectives of the FCA Regulation contained in the already approved Core TSOs' LTTR Design is therefore also valid for this amendment.

agreed on the following third amendment of the Core TSOs' LTTR Design:

## Article 1 Type of long-term transmission rights

(1) Table I of Article 5 of the Core TSOs' LTTR Design shall be amended for the AT-SI, CZ-DE/LU, CZ-SK, HU-SK, HU-RO, HR-HU, PL-CZ, PL-DE/LU, PL-SK and SI-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 rights                    |
|--------------------|--|
| 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           | FTR Options  |
| PL-CZ              | FTR Options  |
| CZ-DE/LU           | FTR Options  |
| PL-SK              | FTR Options  |
| AT-DE/LU           | FTR Options  |
| AT-CZ              | FTR Options  |
| AT-SI              | FTR Options  |
| SI-HR              | Physical transmission rights pursuant to UIOSI principle |
| HR-HU              | FTR Options  |
| AT-HU              | FTR Options  |
| HU-SK              | FTR Options  |
| HU-RO              | FTR Options  |
| CZ-SK              | FTR Options  |
| SI-HU <sup>1</sup> | FTR Options  |

- (2) A paragraph (5) shall be added to Article 8 of the Core TSOs' LTTR Design as follows:
  - (5) 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-SI, CZ-DE/LU, CZ-SK, HU-SK, HU-RO, HR-HU, PL-CZ, PL-DE/LU, PL-SK and SI-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 Core Flow-Based Day-Ahead Market Coupling Project, are published. The change of the type of the long-term transmission rights shall not apply to already allocated transmission rights.

<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

Article 1 of this third 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 2021.