Methods and projects to reduce the *"foreseeable grounds impacting operational security*", listed in Article 3 of the derogation request for Core CCR of APG regarding the implementation of Article 16(8) (EU) 2019/943

1. Introduction

Pursuant to Article 16 (9) of the Regulation (EU) 2019/943, APG filed a request for the grant of a derogation from the obligations laid down under Article 16 (8) of the Regulation (EU) 2019/943 in relation to the bidding zone borders within the Core CCR (AT/DE, AT/CZ, AT/HU, AT/SI)¹.

The request for derogation was submitted to the National Regulator E-Control on 31 October 2022 and has been granted by Austrian Regulatory Authority E-Control on 15.12.2022². The derogation applies from 01 January 2023 to 31 December 2023, unless the methods and projects published by APG in this document (in accordance with obligation 1.1 of the E-Control decision) enable an earlier achievement of the requirements of Article 16 (8) of the Regulation (EU) 2019/943.

¹ <u>APG Request for Derogation for CORE Region 2023 (Englische Version) - Austrian Power Grid</u> ² f93b81fb-ffea-bd3f-3431-91949e16c932 (e-control.at)

2. Overview on Work Packages

In June 2022, the Core flow-based day ahead capacity calculation went into operation, ending the flow-based capacity calculation in the Central Western Europe area (CWE, border AT-DE) and the coordinated NTC calculation on the Austrian borders AT-CZ, AT-HU and AT-SI. The tools which were developed in the last years for the calculation of capacities according to the regulation 2019/943 (and consideration of the APG derogation), were adapted to the needs for the common Core capacity calculation. Therewith, APG is capable of taking into account the capacity criterion according to the linear trajectory of the Austrian action plan³ (which was 28,7 % for 2022 and is 39,0 % for 2023).

By using these tools, APG is able to identify loop-flows above a certain threshold, take into account a margin for MNCC-uncertainty (resulting from the lack of a common forecasting process) and to include 3rd country trade flows in the MNCC. The listed three aspects (Loop Flow Threshold; MNCC Margin reflecting uncertainties in the MNCC calculation; MNCCs including third country flows) are mitigation measures stated in Article 4 of the granted derogation request of APG, targeting the foreseeable grounds laid down in Article 3 of that document.

With the successful go-live of the Core flow-based day ahead capacity calculation, and the successful transfer/adaption of developed tools to the Core process environment, no further tool development is foreseen on national level in the derogation for Core for the year 2023. Thus, the mitigation measures of the current derogation are again sole methodological, and the remaining underlaying foreseeable grounds have to be tackled by common initiatives on European level.

As a result, this report on methods and projects to reduce the foreseeable grounds impacting operational security is reduced to the work package "Transparency and monitoring".

More information to this can be found in Article 4 of this document.



As mentioned above, it should be further noted that APG cannot mitigate all the foreseeable grounds endangering operational security related to the 70% CEP target on its own, as some of these are depending on coordinated processes and concepts that need to be developed within the CCR (Capacity Calculation Region) or beyond. For example, the currently ongoing implementation of a coordinated CT&RD (Countertrading & Redispatching) method as well as the implementation of a coordinated capacity calculation methods for the CCR Core are heavily dependent on external factors. Also, the open points regarding the consideration of (market) flows from third countries or the expansion of multinational coordination with regard to net position forecasts and the use of PSTs, have to be resolved jointly by all relevant parties.

³ https://www.bmk.gv.at/dam/jcr:bb4181fc-41cd-4c96-9f68-26350c69f712/Action_Plan_Austria.pdf

Beyond the immediate requirements of this document, chapter 3 also provides a brief general update on the above-mentioned developments in the CCR Core as well as other related topics. More information on the relevant projects in the Core region and their status is published on the ENTSO-E webpage⁴.

⁴ <u>https://www.entsoe.eu/network_codes/ccr-regions/#core</u>

3. Implementation Plan and general update

Implementation plan

The figure below shows the schedule regarding transparency including respective milestones.

2022		2023											
Nov	Dec	Jan	Feb	Mar	Арг	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Publica	20.12.22 ation of ations		Public. of mitigation report	01.03.23		1. Progress report to ECA	01.06.23				2. Progress report to ECA	01.11.23	

General Update (as of February 2023)

CCR Italy North:

The implementation of the export corner capacity calculation method made significant progress in 2022 and will be finalized in 2023 with the go-live planned end of October 2023.

CCR Core:

In day ahead, the development and implementation of the post go-live studies (esp. coordinated validation and Advanced Hybrid Coupling (AHC)), the consideration of Switzerland in the capacity calculation process and general robustness improvements of the DA capacity calculation process are foreseen for 2023.

The go-live of the first Intraday capacity calculation (1. IDCC) is, based on current planning, foreseen in June 2023.

The start of the Regional Operation Security Coordination (ROSC) and Cost-sharing (CS) process in Core CCR is currently foreseen for 2025. In the first phase, at least remedial action optimization of redispatching resources and phase shifting transformers as well as cost sharing (both on the day-ahead level) shall be implemented. It is planned to expand the process further on during 2026 and fulfil all the requirements of ROSC and CS methodologies.

Description of Work Packages

WORK PACKAGE	TRANSPARENCY	PLANNED COMPLETION	31.12.2023	
Description				
	e positive decision of E-Cont taken to ensure transparency	9 .	est of APG, the	

Milestones	Planned Completion			
Publication of derogations	Completed on 20.12.2022			
Publication of projects and methods	Completed on 01.03.2023			
First progress report to E-Control	01.06.2023			
Second progress report to E-Control	01.11.2023			