

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 29 October 2021 and has been granted by Austrian Regulatory Authority E-Control on 16.12.2021². The derogation applies from 01 January 2022 to 31 December 2022, 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 <https://www.apg.at/api/sitecore/projectmedia/download?id=054c3901-d609-4e9e-9d86-b26e398476d8>

² [6e9d1a0c-7cfe-76a8-3c11-5ea099cbbb4 \(e-control.at\)](https://www.e-control.at/6e9d1a0c-7cfe-76a8-3c11-5ea099cbbb4)

2. Overview on Work Packages

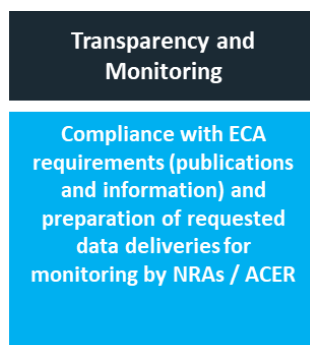
With the implementation of new tools for calculating and validating MACZT (Margin for cross zonal trade) conform capacities in Core in July 2021, APG is capable of taking into account the capacity criterion according to the linear trajectory of the Austrian action plan³ (which was 18,4 % for 2021 and is 28,7 % for 2022). These tools also enable APG to identify loop-flows above a certain threshold, as well as to calculate the margin from non-coordinated capacity calculation including third country flows (MNCC) and taking into account a margin for MNCC-uncertainty, resulting from the lack of a common forecasting process. The listed three aspects (Loop Flow Threshold; MNCCs including third country flows; MNCC Margin reflecting uncertainties in the MNCC calculation) 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 implementation of the measures mentioned above, and also in line with the Article 16(9) of the regulation 2019/943, the scope of the derogation was reduced, when comparing to the previous years.

The mitigation measures of the current derogation are methodological and no further tool development is foreseen on national level in the derogation for Core for the year 2022.

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.



Further it should be 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). For example, the currently ongoing development of a coordinated CT&RD (Countertrading & Redispatching) method as well as the development of a coordinated capacity calculation method 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.

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.

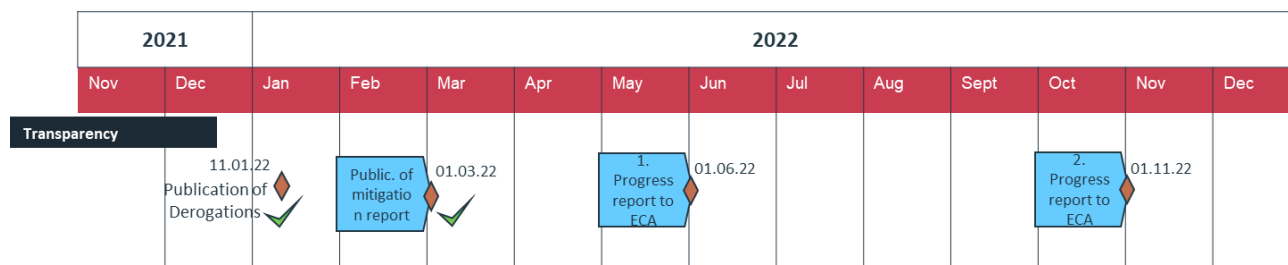
³ https://www.bmk.gv.at/dam/jcr:bb4181fc-41cd-4c96-9f68-26350c69f712/Action_Plan_Austria.pdf

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

3. Implementation Plan and general update

Implementation plan

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



General Update (as of February 2022)

CCR Italy North:

On business day 29.10.2021, the joint tool for MACZT-compliant capacity calculation and validation went into operation successfully.

CCR Core:

The current go-live of Core day-ahead flow based capacity calculation and market coupling is foreseen in Q2 2022.

Start of Regional Operation Security Coordination (ROSC) and Cost-sharing (CS) operation process in Core CCR is currently foreseen for 2024 (phase 1⁵). In the first phase, at least remedial action optimisation 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 2025 and fulfil all the requirements of ROSC and CS methodologies.

Description of Work Packages

WORK PACKAGE	TRANSPARENCY	PLANNED COMPLETION	31.12.2022
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Description

In accordance with the positive decision of E-Control on the derogation request of APG, the following steps will be taken to ensure transparency:

Milestones	Planned Completion
Publication of derogations	Completed on 11.01.2022
Publication of projects and methods	Completed on 01.03.2022
First progress report to E-Control	01.06.2022
Second progress report to E-Control	01.11.2022