

Methods and projects to reduce the “*foreseeable grounds impacting operational security*”, listed in Article 3 of the derogation request for Italy North CCR of APG for the second semester of 2021 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 Italy North CCR (AT/IT)¹.

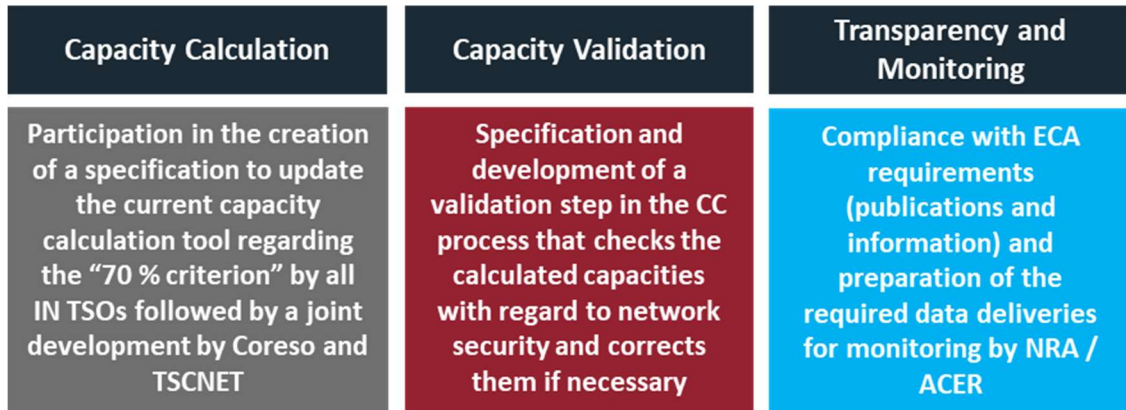
The request for derogation was submitted to the National Regulator E-Control on 2nd June 2021 and has been granted by Austrian Regulatory Authority E-Control on 14th July 2021. The derogation applies from 01 July 2021 to 31 December 2021, unless the methods and projects published by APG in this document (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=c0e2e804-1c41-4d57-b47e-992894b157a2>

2. Overview on Work Packages

On the basis of Article 3 and Article 4 of APG's derogation, two (2) Work Packages have been defined to tackle the foreseeable grounds endangering operational security related to the 70% CEP target. In addition APG will ensure to be compliant with the relevant transparency requirements.

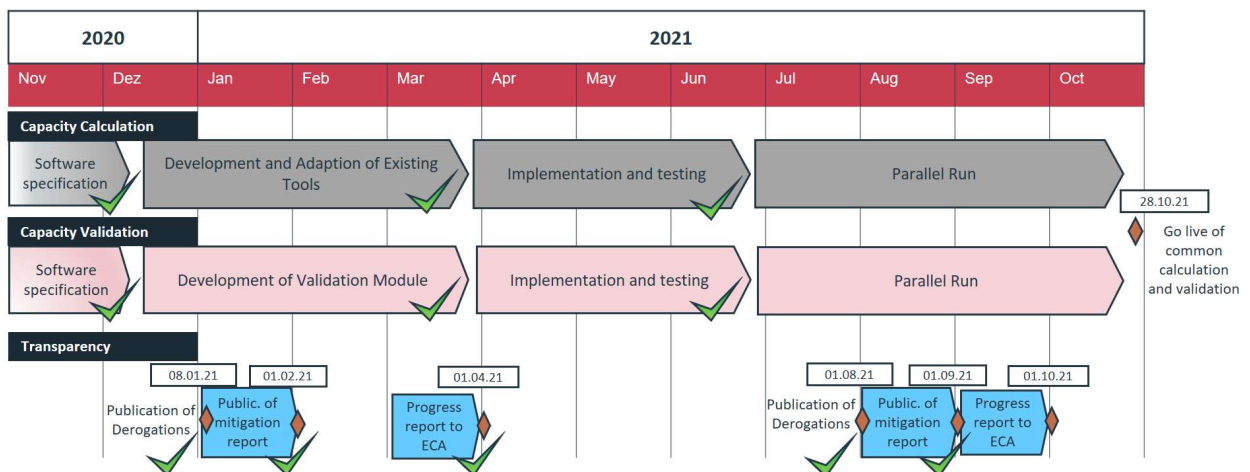
The following figure gives an overview of these working packages and their main contents. More information to the working packages can be found in Article 4 of this document.



It should be noted that APG cannot mitigate all the foreseeable grounds endangering operational security related to the 70% CEP target on it's own, as some of these are depending on coordinated processes and concepts that are developed within the CCR (Capacity Calculation Region). The implementation of the mentioned workpackages is currently ongoing in the Italy North CCR and will be put into operation within the timeframe of the approved derogation.

3. Implementation Plan

The figure below shows the implementation plan for each working package. In Addition, the relevant milestones regarding the foreseen monitoring are as well included.



4. Description of Work Packages

WORK PACKAGE	CAPACITY CALCULATION	PLANNED COMPLETION	28.10.2021
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Description

The work package “Capacity Calculation” contains concrete steps, methods and tools to partially mitigate insufficient concepts and IT-tools for capacity calculation with respect to a certain minimum capacity available for cross zonal trade (MACZT) and uncertainties in the capacity calculation process related to non- existence of a common coordinated forecast process in Europe (foreseeable grounds stated in the Article 3.1 of derogation granted by E-Control on 14.07.2021).

For the determination of the Net Transfer Capacities (NTCs) at the AT/IT, FR/IT, CH/IT and SI/IT borders, a Coordinated Net Transfer Capacities calculation (CNTC) for Day Ahead and Intraday is currently implemented. To fulfill the requirements of Article 16 (8) (EU) 2019/943, two CCMs for either timeframe were developed by the IN TSOs, approved by the IN NRAs and are currently implemented till the end of October 2021. These two adapted methodologies consider the ACER Recommendation on minimum margin available for cross-zonal trade (No. 01/2019). The goal of the new methodologies is the introduction of the 70% criterion, or another minimum capacity criterion based on a national Action Plan, on the current capacity calculation process. The consideration of coordinated (MCCC) and non-coordinated capacities (MNCC) given in the ACER Recommendation 01/2019 is taken into account for this new calculation methodologies.

Based on the submitted CCMs, the current software specifications were adapted by the IN TSOs. The IN RSCs (Coreso and TSCNET) assessed these documents and have developed new tools respectively adapted the current tools. Subsequently the implementation and necessary tests have been carried out. Currently the tools are being tested in an external parallel run and the operational go-live of the adapted CNTC process is planned by 28.10.2021.

The milestones listed below are best estimates, which are based on current knowledge and are very dependent on external parties (e.g. IT-vendors). Any changes to the milestones will be made available in the progress report to E-Control.

Milestones	Planned Completion
Adjustment of HLBP	Completed March 2020
Evaluation of HLBP (by RSCs)	Completed June 2020
Creation of a software specification (TSOs and RSCs)	Completed December 2020
Adaptation and development of tools	Completed March 2021
Integration test and parallel run	October 2021

WORK PACKAGE	CAPACITY VALIDATION	PLANNED COMPLETION	28.10.2021
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Description

The work package “Capacity Validation” contains concrete steps, methods and tools to partially mitigate insufficient concepts and IT-tools for the validation of capacities calculated on the basis of a minimum capacity for cross zonal trade (MACZT) and uncertainties in the capacity calculation process related to non-existence of a common coordinated forecast process in Europe (foreseeable grounds stated in the Article 3.2 of derogation granted by E-Control on 14.07.2021).

In order to ensure grid security at any point in time, suitable and reliable methods, including the respective software tools to validate the calculated capacities are of utmost importance. In case the grid security is endangered, TTC or NTCs values have to be reduced accordingly.

After a general assessment of tools currently available within TSO community, the IN TSO specified a common validation methodology for the IN CCR. In accordance, the RSCs have developed new tools for this validation process and necessary tests have been carried out. Currently the validation process is being tested in an external parallel run.

The validation tools need to be properly tested and parameterized to ensure reliable function. Training of operators staff will take place before the operational go-live of the capacity validation process.

The milestones listed below are best estimates, which are based on current knowledge and are also dependent on external parties (e.g. software vendors). Any changes to the milestones will be made available in the progress report to E-Control.

Milestones	Planned Completion
Evaluation of different validation tools	Completed March 2020
Creation of a Software Specification (TSOs and RSCs)	Completed Dezember 2020
Adaptation and development of tools	Completed March 2021
Integration test and parallel run	October 2021

WORK PACKAGE	TRANSPARENCY	PLANNED COMPLETION	01.10.2021
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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 01.08.2021
Publication of projects and methods	Completed on 01.09.2021
Submit progress report to E-Control	01.10.2021