

Mr Alberto Pototschnig  
Director ACER

Cc: Mr Klaus-Dieter Borchardt  
Director Internal Energy Market  
DG ENER  
European Commission

Cc: Mr Laurent Schmitt  
Secretary-General ENTSO-E

24 October 2017

Dear Alberto,

I am writing to you on behalf of all Regulatory Authorities with regard to the all Transmission System Operators (TSOs) Intraday cross-zonal Gate times (IDCZGT) proposal, submitted in accordance with Article 59 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management (Regulation 2015/1222).

After a first submission of the IDCZGT proposal and a request for amendments by all Regulatory Authorities, all TSOs submitted an amended proposal in accordance with Article 8(2) Regulation 2015/1222; this was received by the last Regulatory Authority on 29 August 2017.

On 23 October 2017 all Regulatory Authorities, after having agreed on a general view on IDCZGTs, have agreed to request the Agency to adopt a decision on IDCZGTs pursuant to 9(12) Regulation 2015/1222 for the following reasons.

All Regulatory Authorities consider that the TSOs have not sufficiently and properly taken into account the Regulatory Authorities' request for amendment of 14 June 2017 (annexed to this letter). In particular, TSOs did not address the request for amendment to:

1. propose a IDCZGOT per CCR by setting a IDCZGOT at the earliest possible time in each CCR or justify duly in case a later IDCZGOT was set;
2. set a future harmonised default IDCZGOT at the earliest IDCZGOT at CCR level as defined in the amended proposal, taking into account scheduling and balancing processes in relation to network and operational security;
3. duly justify the proposed IDCZGOT per CCR against the proposed future default IDCZGOT in cases where the proposed IDCZGOT in a CCR is later than the future default IDCZGOT;
4. set, within the proposal, a IDCZGCT per BZB at most one hour before the start of the relevant MTU. The IDCZGCT per BZB should be set taking into account the requirements of article 59(2) and 59(3) of Regulation 2015/1222 and therefore should be set closer than one hour to the start of the relevant MTU where appropriate.

All Regulatory Authorities approve the possibility to adopt a flexible approach and to set different gate opening times in different CCRs and different closure times per BZB. This approach is the only one enabling to safeguard the CCR and/or BZB specificities with special reference to the presence of Central Dispatch systems (requiring enough time to run the Integrated scheduling process before opening the Intraday market) and for Self Dispatch systems which allow intraday trade on national level until close to real time. It's also the only approach in which the complexity of the capacity

calculation processes aimed at maximizing the capacity to be offered to market players in the intraday timeframe is safeguarded (allowing CCRs dominated by DC interconnectors to significantly anticipate the gate opening in comparison to interconnectors in meshed transmission grids).

Moreover, in some CCRs justification for the chosen IDCZGOT lacks and the future harmonised default IDCZGOT is not clearly indicated, while all Regulatory Authorities deem that this future target could be developed in the direction of at least 15:00.

Whilst most NRAs can accept the received proposal for IDCZGT, some other NRAs are of the opinion that in their CCRs the IDCZGOT could be set at an earlier time and/or would prefer to set the IDCZGCT closer to real time than the proposed 60 minutes on several of their BZBs.

All Regulatory Authorities ask you to take utmost consideration of the following:

- We assessed that an early IDCZGOT, as now proposed for some CCRs, is at this moment more valuable than harmonisation. Therefore, we would like the Agency to keep all IDCZGOTs at least as early as they have been proposed.
- NRAs from the following CCRs have agreed unanimously on accepting the proposed IDCZGOT: Italy North, Greece Italy, and Nordic.
- Certain BZBs are already operated with a IDCZGCT closer to real time than 60 minutes and others BZBs could benefit from moving the gate closure closer to real time. We would like the Agency to consider this in the light of maximisation of market participants' opportunities to trade across borders. Reduction in market participants' trading possibilities by shifting existing IDCZGCT further away from real time, or not allowing IDCZGCT to move closer to real time where possible, is not in line with CACM objectives. Therefore, by minimum the possibility for a IDCZGCT of 30 minutes should be preserved.
- On the other hand, we assessed that many BZBs require a IDCZGCT of 60 minutes justified by the present choice of some TSOs applying the replacement reserve process<sup>1</sup> and their participation in the EU platform for this reserve (e.g. TERRE). Therefore, we would ask the Agency to consider these constraints by allowing different IDCZGCTs per BZB.
- The future default IDCZGOT should target at least 15:00. For IDCZGCT, the future target should be as close to real time as possible.
- The methodology for IDCZGT should include a concrete implementation plan for achieving the future targets.

In adopting its decision, we anticipate that the Agency will give utmost consideration on our assessment of the key elements we have identified and agreed of the amended proposal for IDCZGTs. We are ready to assist the Agency to develop and adopt its decision.

Yours sincerely,



Lord Mogg

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<sup>1</sup> The application of the Replacement Reserve process is a national choice according to Article 140.2 of the regulation 2017/1485 establishing a guideline on electricity transmission system operation. The implementation of the EU platform for the exchange of Replacement reserve is also only an obligation for the TSOs using this process pursuant to article 19.1 of the final draft text of the regulation on Electricity Balancing.