



European Union Agency for the Cooperation
of Energy Regulators

Update on the Harmonised Cross-Zonal Capacity Allocation Methodology (HCZCAM)

MESC meeting

8 October 2024

- The **existing HCZCAM** was adopted by ACER in **July 2023** (ACER Decision 11/2023)
- Article 27(1) of that Decision requires TSOs to submit **an amendment of this methodology by 31 July 2024**. This amendment must cover the following elements:
 - **Governance for all market-based application TSOs** on change requests for the CZCA optimisation function software (Article 15(2))
 - **Governance of the balancing capacity platforms** (Article 16(7))
 - Formulas for **congestion income** which consider the congestion income from the exchange of balancing capacity or sharing of reserves (Article 24)
 - Any other requirements necessary for the designation of entities, the development of the CZCA optimisation function software and the fulfilment of publication requirements
- TSOs voluntarily added a process allowing different limits per CNEC in a flow-based CCR
- A **public consultation** on TSOs' proposed amendments took place between March and May

Draft timeline for ACER's decision

31 July 2024: TSOs submit the proposal for amending the HCZCAM to ACER

16 September – 14 October 2024: Public consultation on TSOs' amendment proposal

September – October 2024: Working-level meetings with TSOs and NRAs

November – December 2024: Formal consultation with TSOs

January 2025: NRAs approval process

By 31 January 2025: Adoption of the decision and publication on ACER's website

Thank you for your attention!



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