Communication message LTCC LTFBA go-live

In November 2026, the Core and Nordic regions will jointly transition to long-term capacity calculation and flow-based allocation, starting with the yearly capacity calculation and allocation for 2027.

The implementation connects two closely related parts of the long-term market process.

First, Transmission System Operators (TSOs) and Regional Coordination Centers (RCCs) perform coordinated long-term capacity calculations using common grid models and defined scenarios, pursuant to respective Long Term capacity calculation methodologies for Core and Nordics in accordance with Article 10 of Commission Regulation (EU) 2016/1719 establishing a guideline on forward capacity allocation (FCA). These calculations determine the flow-based capacity domain for the relevant long-term timeframe. Core project parties are pleased to confirm 23 November 2026 as the go-live date of the Core flow-based Long-Term Capacity Calculation (LTCC). The external parallel run has demonstrated the stability of the process, and Core project parties consider the results representative.

Having a harmonised capacity calculation methodology in place in the Core Capacity Calculation Region (CCR) improves the allocation of long-term cross-zonal capacity in the Core CCR, thereby enhancing access to cross-border hedging opportunities and supporting a more efficient and integrated European forward electricity market. Market participants will also benefit from improved transparency of all capacity-related data.

The resulting capacity domains are then provided to the long-term allocation process. JAO then uses the flow-based parameters to allocate long-term transmission rights, based on market participants' bids, through the coordinated auction process simultaneously for all applicable borders of the respective region. The first Long-Term Flow-Based Allocation (LTFBA) auctions under the new arrangement will be the yearly auctions for delivery year 2027. For Core, bidding will open on 30 November 2026. For Nordics, bidding will open on 1 December 2026. This will be followed by the monthly allocation for January 2027.

The go-live of LTFBA represents an important milestone in the continued integration of European electricity markets. It brings together coordinated long-term capacity calculation and allocation and strengthens the consistency of capacity information across the year- and month-ahead market timeframes. It directly advances the FCA's statutory objectives through market outcomes. The successful implementation across both the Core and Nordic regions reflects the close cooperation between TSOs, RCCs, JAO, regulators, and market participants.

About the Long-Term Capacity Calculation project in the Core CCR

The Core Long-Term Capacity Calculation (Core LTCC) project promotes the development and implementation of a flow-based long-term capacity calculation across the whole Core Capacity

Calculation Region (Core CCR) in the framework of the Forward Capacity Allocation (FCA) Regulation. The Core CCR consists of the bidding zone borders between the following EU Member States' bidding zones: Austria, Belgium, Croatia, the Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia.

The energy transition towards a carbon-free electricity supply is a European challenge that requires the European electricity system to be used to its full extent. Weather-dependent supply and increasing demand response will lead to a different and more intense use of the grid. The Core market integration project aims to create the operational preconditions to optimise the use of the system from a regional perspective and make the single European market a reality.

Market participants who would like to follow closer the project development are invited to join the Core Consultative Group (CCG) by subscribing to the distribution list here. The participants of the Core Consultative Group will receive regular information, and invitations to teleconferences and meetings.

For questions related to the Core process, please refer to the Core Q&A Platform:
https://coreforum.fb.unicornapps.online/

About Long-Term Flow-Based Allocation

The Long-Term Flow-Based Allocation (LTFBA) project introduces a new LTFB allocation mechanism in line with the requirements defined in the High-Level Market Design (HLMD), developed through the collaborative efforts of dedicated representatives from all TSOs, ENTSO-E and JAO. Relevant changes for the Core and Nordic CCRs were implemented in close alignment with the Market Participants and ACER, leading up to the operational launch of the yearly auction for 2027 market period, followed shortly thereafter by the monthly auction for January 2027.

The implementation follows the European regulatory framework for Forward Capacity Allocation and builds on the long-term flow-based capacity calculation methodologies developed for the two regions.