European Network of
Transmission System Operators
for Electricity

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All TSOs' proposal for intraday cross-zonal gate opening and gate closure times in accordance with Article 59 of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management

10 August 2017

All TSOs, taking into account the following:

Whereas

(1) This document is a common proposal developed by all Transmission System Operators (hereafter referred to as "TSOs") regarding a proposal for intraday cross-zonal gate opening time (hereafter referred to as "IDCZGOT") and a proposal for intraday cross-zonal gate closure time (hereafter referred to as "IDCZGCT").

(2) This proposal (hereafter referred to as the "IDCZGT Proposal") takes into account the general principles and goals set in Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (hereafter referred to as the "CACM Regulation") as well as Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity (hereafter referred to as "Regulation (EC) 714/2009").

(3) The goal of the CACM Regulation is the coordination and harmonisation of capacity calculation and allocation in the day-ahead and intraday cross-border markets. To facilitate these aims, it is necessary to set an intraday cross-zonal gate opening and gate closure time.

(4) Article 59 of the CACM Regulation constitutes the legal basis for this proposal and defines several specific requirements that the IDCZGT Proposal should take into account:

"1. By 16 months after the entry into force of this Regulation, all TSOs shall be responsible for proposing the intraday cross-zonal gate opening and intraday cross-zonal gate closure times. The proposal shall be subject to consultation in accordance with Article 12.

2. The intraday cross-zonal gate closure time shall be set in such a way that it:

(a) maximises market participants' opportunities for adjusting their balances by trading in the intraday market time-frame as close as possible to real time; and

(b) provides TSOs and market participants with sufficient time for their scheduling and balancing processes in relation to network and operational security.

3. One intraday cross-zonal gate closure time shall be established for each market time unit for a given bidding zone border. It shall be at most one hour before the start of the relevant market time unit and shall take into account the relevant balancing processes in relation to operational security.

4. The intraday energy trading for a given market time unit for a bidding zone border shall start at the latest at the intraday cross-zonal gate opening time of the relevant bidding zone borders and shall be allowed until the intraday cross-zonal gate closure time.

5. Before the intraday cross-zonal gate closure time, market participants shall submit to relevant NEMOs all the orders for a given market time unit. All NEMOs shall submit the orders for a given market time unit for single matching immediately after the orders have been received from market participants.

(5) Article 2(38) of the CACM Regulation defines the intraday cross-zonal gate opening time as "*the point in time when cross-zonal capacity between bidding zones is released for a given market time unit and a given bidding zone border*".

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(6) Article 2 (39) of the CACM Regulation defines the intraday cross-zonal gate closing time as "*the point in time where cross-zonal capacity allocation is no longer permitted for a given market time unit*".

(7) Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council (hereafter referred to as "Regulation (EU) 543/2013") provides definitions of the following relevant terms:

a. Capacity allocation is defined under Article 2(4) *'capacity allocation' means the attribution of cross zonal capacity;*
b. Cross-zonal capacity is defined under Article 2(10): *'cross zonal capacity' means the capability of the interconnected system to accommodate energy transfer between bidding zones;*
c. Bidding zone is defined under Article 2(3): *'bidding zone' means the largest geographical area within which market participants are able to exchange energy without capacity allocation.*

(8) In the context of this proposal, the definition of "intraday market timeframe" is important and is defined at Article 2(37) of the CACM Regulation as follows: "*'intraday market timeframe' means the timeframe of the electricity market after intraday cross-zonal gate opening time and before intraday cross-zonal gate closure time, where for each market time unit, products are traded prior to the delivery of the traded products".*

(9) The definition of "market time unit" is also important and is defined in Article 2(19) of Regulation (EU) 543/2013 as: "*the period for which the market price is established or the shortest possible common time period for the two bidding zones, if their market time units are different".*

(10) Additional relevant references to IDCZGOT and IDCZGCT within the CACM Regulation are listed below:

a. Article 51(1):

"From the intraday cross-zonal gate opening time until the intraday cross-zonal gate closure time, the continuous trading matching algorithm shall determine which orders to select for matching such that matching: (...)"

b. Article 58(1):

"Each coordinated capacity calculator shall ensure that cross-zonal capacity and allocation constraints are provided to the relevant NEMOs no later than 15 minutes before the intraday cross-zonal gate opening time. "

c. Article 63(2):

"Complementary regional intraday auctions may be implemented within or between bidding zones in addition to the single intraday coupling solution referred to in Article 51. In order to hold regional intraday auctions, continuous trading within and between the relevant bidding zones may be stopped for a limited period of time before the intraday cross-zonal gate closure time, which shall not exceed the minimum time required to hold the auction and in any case 10 minutes."

d. Article 63(4)(d):

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"the timetables for regional auctions shall be consistent with single intraday coupling to enable market participants to trade as close as possible to real-time."

(11) Article 9(9) of the CACM Regulation requires that the expected impact of the IDCZGT Proposal on the objectives of the CACM Regulation is described. The impact is presented below in points (12) to (16) of this Whereas Section.

(12) The IDCZGT Proposal contributes to and does not in any way hamper the achievement of the objectives of Article 3 of the CACM Regulation. The TSOs have reviewed the IDCZGOT within each capacity calculation region and IDCZGCT per BZB as requested and propose a solution that enables the TSOs to adequately perform day-ahead scheduling and balancing processes in relation to network and operational security and calculate or evaluate intraday cross-zonal capacity while still sufficiently contributing to the objective of promoting effective competition in the generation, trading and supply of electricity (Article 3(a) of the CACM Regulation) and taking into account the importance of creating a level playing field for market parties active on cross-zonal intraday markets. Effective competition is to be reached via a common cross-zonal intraday market (single intraday coupling) and while it is clear that the proposed future default as defined by all NRAs in the request for amendment is not feasible in all the capacity calculation regions due to different complexity levels in the capacity calculation region structures and taking into account scheduling and balancing processes in relation to network and operational security, the TSOs are confident that this common proposal is the best possible solution to align the two diverging objectives and meet the NRAs amendment request. Establishing common processes for the intraday market (inter alia, the IDCZGOT and the European level default solution for IDCZGT) contributes to achieving this aim. The timing for further evaluation of the harmonisation of IDCZGOT and IDCZGCT could be linked to the future merger of capacity calculation regions as also addressed in whereas of the decision of ACER No 06/2016 on the TSOs' proposal for the determination of capacity calculation regions on 17 November 2016.

(13) The IDCZGT Proposal takes into account operational security in accordance with Article 3 (c) of the CACM Regulation by setting the IDCZGCT at the most at 60 minutes before the start of the relevant market time unit, which ensures that timings for market scheduling and balancing processes are sufficient to ensure operational security taking into account foreseen evolutions in congestion management processes, in the entire intraday coupled region. In some regions, extending the intraday trading period till 60 minutes before delivery may create additional requirements for operational processes.

(14) By coordinating the timings for the intraday market, the objective of fair and non-discriminatory treatment of the market parties is provided for. Moreover, single timings for gate openings to be applied at a minimum on the capacity calculation region level allow for more fair and orderly organisation of this market in line with Article 3(h) of the CACM Regulation. This additionally guarantees equal access to cross-zonal capacity in the intraday timeframe at a minimum on the capacity calculation region level in accordance to Article 3(e) of the CACM Regulation.

(15) Finally, the IDCZGT Proposal contributes to the objective of providing non-discriminatory access to cross-zonal capacity (Article 3(j) of the CACM Regulation) by granting market participants a level-playing field throughout the European Union with a clear and consistent framework for intraday gate times at a minimum on the capacity calculation region level

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(16) In conclusion, the IDCZGT Proposal contributes to the general objectives of the CACM Regulation.

(17) All TSOs provided a first IDCGZT Proposal in December 2016 in accordance with Article 59 of the CACM Regulation. In June 2017, all NRAs requested amendments to this proposal. Therefore, this version includes the requested changes.

SUBMIT THE FOLLOWING IDCZGT PROPOSAL TO ALL NATIONAL REGULATORY AUTHORITIES:

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Article 1
Subject matter and scope

The IDCZGOT and IDCZGCT as determined in this IDCZGT Proposal is the common proposal of all TSOs in accordance with Article 59 of the CACM Regulation.

Article 2
Definitions and interpretation

1. For the purposes of the IDCZGT Proposal, the terms used shall have the meaning given to them in Article 2 of Regulation (EC) 714/2009, Article 2 of Regulation (EU) 2013/543, Article 2 of Regulation (EU) 2015/1222 and Article 2 of Directive 2009/72/EC.

2. In this IDCZGT Proposal, unless the context requires otherwise:

    a) the singular indicates the plural and vice versa;
    b) headings are inserted for convenience only and do not affect the interpretation of this proposal; and
    c) any reference to legislation, regulations, directives, orders, instruments, codes or any other enactment shall include any modification, extension or re-enactment of it when in force.

3. The capacity calculation regions and bidding zone borders referred to in this IDCZGT Proposal are those determined in accordance with Article 15 of the CACM Regulation.

Article 3
Application of this proposal

This proposal applies solely to intraday cross-zonal gate opening and closure times. Gate opening and gate closure times for intraday trading within a bidding zone and for complementary regional auctions in accordance with Article 63 of CACM Regulation are outside the scope of this proposal.

Article 4
Intraday Cross-Zonal Gate Opening Time

1. The IDCZGOT shall be defined for the different capacity calculation regions as follows:

    a) For capacity calculation region Nordic at 15:00 market time day-ahead.
    b) For capacity calculation region Hansa at 18:00 market time day-ahead
    c) For capacity calculation region Core at 22:00 market time day-ahead.
    d) For capacity calculation region Italy North at 22:00 market time day-ahead.
    e) For capacity calculation region Greece-Italy at 22:00 market time day-ahead.
    f) For capacity calculation region South-west Europe at 22:00 market time day-ahead.
    g) For capacity calculation region Ireland and United Kingdom at 18:30 market time day-ahead.
    h) For capacity calculation region Channel at 22:00 market time day-ahead.
    i) For capacity calculation region Baltic at 18:00 market time day-ahead.
    j) For capacity calculation region South-east Europe at 22:00 market time day-ahead.

2. The IDCZGOT stipulated in Article 4(1) is dependent on the successful completion of the price coupling process for the day-ahead market. Should the price-coupling process in the day ahead market be unsuccessful, and fallback procedures initiated as a result in accordance with Article 44 of the CACM

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Regulation are completed after the IDCZGOT defined in Article 4(1), the IDCZGOT shall take place at the earliest possible time after the results of the respective fallback procedures are known.

Article 5
Future default pan-European Intraday Cross-Zonal Gate Opening Time

1. The TSOs shall set the future default IDCZGOT to be at the earliest IDCZGOT possible as defined in Article 4, taking into account scheduling and balancing processes in relation to network and operational security.

2. The TSOs shall review the possibility to further harmonise the IDCZGOT and to achieve the future default IDCZGOT later in the implementation process of the CACM Regulation.

Article 6
Intraday Cross-Zonal Gate Closure Time

The IDCZGCT shall be 60 minutes before the start of the relevant intraday market time unit, with the exemption of the bidding zone border Estonia-Finland (EE-FI) where the IDCZGCT shall be 30 minutes before the start of the relevant intraday market time unit.

Article 7
Publication and Implementation of IDCZGT Proposal

1. The TSOs shall publish the IDCZGT Proposal without undue delay after all national regulatory authorities have approved the proposed IDCZGT or a decision has been taken by the Agency for the Cooperation of Energy Regulators in accordance with Article 9 (10), Article 9(11) and 9(12) of the CACM Regulation.

2. The TSOs shall implement the IDCZGOT and IDCZCGT defined in Articles 4 and 6, respectively, immediately after the implementation of the single intraday coupling in accordance with Articles 7(3) and 37 of the CACM Regulation, the common grid model methodology in accordance with Article 17 of the CACM Regulation, the capacity calculation methodology in accordance with Article 20 of the CACM Regulation, and the establishment of the relevant coordinated capacity calculator in accordance with Article 27(2) of the CACM Regulation on the relevant Bidding Zone border(s).

Article 8
Language

The reference language for this IDCZGT Proposal shall be English. For the avoidance of doubt, where TSOs need to translate this IDCZGT Proposal into their national language(s), in the event of inconsistencies between the English version published by TSOs in accordance with Article 9(14) of the CACM Regulation and any version in another language, the relevant TSOs shall be obliged to dispel any inconsistencies by providing a revised translation of this IDCZGT Proposal to their relevant national regulatory authorities.

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