

**Channel TSOs proposal for fallback procedures in
accordance with Article 44 of the Commission Regulation
(EU) 2015/1222 of 24 July 2015 establishing a Guideline on
Capacity Allocation and Congestion Management**

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WHEREAS

- (1) This document is a common proposal developed by all Transmission System Operators (hereafter referred to as “TSOs”) within the Channel¹ Capacity Calculation Region regarding the proposal for fallback procedures in the event that the single day-ahead coupling process is unable to produce results. This proposal is required by Article 44 of Regulation (EU) 2015/1222 on Capacity Allocation and Congestion Management (the “CACM Regulation”).
- (2) Although this proposal is for the Channel region, it has been developed in coordination with the IU region TSOs as part of a joint Channel-IU working group.
- (3) It is recognised that at the time of publication a decision is yet to be made on Capacity Calculation Regions. In lieu of a final decision, this common proposal is that of the Channel region TSOs described in the consultation² published on 24 September 2015.
- (4) In accordance with Article 9 (9) of the CACM Regulation, the proposed fallback procedures across the Channel region contributes to and does not in any way hinder the achievement of the objectives of Article 3 of CACM Regulation. The fallback procedures ensure a transparent and non-discriminatory approach towards facilitating cross zonal capacity allocation in the event that the single day-ahead coupling process is unable to produce results. This supports the CACM objective of ensuring and enhancing the transparency and reliability of information.

¹ The Channel Capacity Calculation Region refers to the bidding zone borders FR-GB and NL-GB as described in ENTSO-E’s all TSOs draft proposal for Capacity Calculation Regions in accordance with Article 15 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management.

² All TSOs’ draft proposal for Capacity Calculation Regions (CCRs) https://consultations.entsoe.eu/system-operations/capacity-calculation-regions/supporting_documents/All%20TSOs%20proposal%20for%20CCRs_ENTSOE%20format_v0public%20consultation_final.pdf

GENERAL PROVISIONS

Article 1

Subject matter and scope

1. As required under Article 44 of the CACM Regulation, each TSO, in coordination with all the other TSOs in the capacity calculation region, shall develop a proposal for robust and timely fallback procedures to ensure efficient, transparent and non-discriminatory capacity allocation in the event that the single day-ahead coupling process is unable to produce results.

Article 2

Definitions

1. For the purpose of this proposal, the definitions in Article 2 of the CACM Regulation shall apply.
2. In addition, the following definitions shall apply:
 - a. 'BritNed' means BritNed Development Limited
 - b. 'IFA' means Interconnexion France Angleterre, jointly owned and operated by NGIC and RTE
 - c. 'NGIC' means National Grid Interconnectors Limited, co-owner of IFA
 - d. 'RTE' means Réseau de Transport d'Électricité, the French system operator and co-owner of IFA

BRITNED DAY-AHEAD FALLBACK PROCEDURES

Article 3

Explicit Daily Auctions

1. In the event that the single day-ahead coupling process is unable to produce results, BritNed will initiate the fallback procedure and run explicit daily auctions via its auction tool.
2. Explicit daily auctions will be held seven days a week, including weekend and public holidays, provided that the offered capacity for explicit daily auctions is at least one unit.
3. The auction specification of a daily explicit auction for the contract day will be published by BritNed in advance and include:
 - a. the code identifying the auction in the auction tool;
 - b. type of transmission rights (e.g. physical transmission rights);
 - c. category of unit (e.g. daily, intraday);
 - d. form of product (e.g. base, peak, off-peak);
 - e. identification of the direction covered which will either be "GB to NL or "NL to GB";
 - f. the product period;
 - g. Reduction period(s) associated with the product period when applicable;
 - h. the bidding period;
 - i. the deadline for the publication of the final auction results;
 - j. the offered capacity; and
 - k. any other relevant information or terms applicable to the product or the auction.

Article 4

Timings

1. When initiating the fallback procedure, BritNed will published in advance times for the following:
 - a. Auction specification;
 - b. Auction opening;
 - c. Auction closing;
 - d. Publication of auction results;
 - e. Nomination gate opening;
 - f. Nomination gate closure; and
 - g. any other relevant information determined by BritNed.

Article 5

Fallback procedures unable to be initiated

1. If the auction tool fails, and in the reasonable opinion of BritNed it is not practical to conduct an auction via its auction tool, BritNed may allocate the units using a procedure for conducting the auctions by email or fax to be specified by BritNed.
2. If the fallback procedure cannot, in the reasonable opinion of the BritNed, and based on objective grounds (for example due to a lack of time or to technical difficulties), be implemented as necessary to enable an auction to be conducted, the auction will be deferred.
3. When an implicit daily auction is cancelled and the associated fallback explicit daily auction is also cancelled, the daily offered capacity is allocated to the subsequent relevant intraday auctions.

IFA DAY-AHEAD FALLBACK PROCEDURES

Article 6

Explicit Daily Auctions

1. In the event that the single day-ahead coupling process is unable to produce results, IFA will initiate the fallback procedure and run explicit daily auctions via its auction tool.
2. Explicit daily auctions are held seven days a week, including weekend and public holidays, provided that the offered capacity for explicit daily auctions is at least one unit.
3. The auction specification of a daily explicit auction for the contract day will be published by IFA in advance and include:
 - a. the code identifying the auction in the auction tool;
 - b. type of interconnector capacity rights (e.g. physical transmission rights);
 - c. relevant Timescale (e.g. daily, intraday);
 - d. form of product (e.g. base, peak, off-peak);
 - e. identification of the direction covered which will either be "England to France" or "France to England";
 - f. the product period;
 - g. Reduction period(s) associated with the product period when applicable;
 - h. the bidding period;
 - i. the deadline for the publication of the final auction results;

- j. the offered capacity;
- k. any other relevant information or terms applicable to the product or the auction.

Article 7

Timings

1. When initiating the fallback procedure, IFA will publish in advance times for the following:
 - a. Auction specification;
 - b. Auction opening;
 - c. Auction closing;
 - d. Publication of auction results;
 - e. Nomination gate opening;
 - f. Nomination gate closure; and
 - g. any other relevant information determined by IFA.

Article 8

Fallback procedures unable to be initiated

1. If the fallback procedure cannot, in the reasonable opinion of IFA, and based on objective grounds (for example due to a lack of time or to technical difficulties), be implemented as necessary to enable an auction to be conducted, the auction will be deferred.
2. If deferral of an auction is not considered by IFA as being possible, based on objective grounds (for example due to a lack of time or to technical difficulties), the auction will be cancelled and all bids already submitted will automatically be cancelled.
3. When an implicit daily auction is cancelled and the associated Fallback procedures explicit daily auction is also cancelled, the daily offered capacity is allocated to the subsequent relevant intraday auctions.

FUTURE REQUIREMENTS

Article 9

Single Allocation Platform

1. In accordance with Article 48 of Regulation (EU) 2016/1719 establishing a guideline on forward capacity allocation, a single allocation platform will be established which will replace the auction tools currently used by BritNed and IFA.
2. The provider of the single allocation platform will be required to facilitate the fallback procedure in the event that single day-ahead coupling process is unable to produce results and the relevant TSOs shall use the single allocation platform to organise the fallback procedure in accordance with Article 42 and 46 of Regulation (EU) 2016/1719 establishing a guideline on forward capacity allocation.

FINAL PROVISIONS

Article 10

Implementation

1. The arrangements described in Articles 3 to 8 shall be implemented with immediate effect.

2. The arrangements described in Article 9 shall be implemented by each relevant TSO no later than 24 months after the approval of the proposal for a common set of requirements and for the establishment of the single allocation platform in accordance with Article 48 of Regulation (EU) 2016/1719 establishing a guideline on forward capacity allocation.

Article 11

Language

1. The reference language for this fallback procedure shall be English. For the avoidance of doubt, where TSOs need to translate this fallback procedure 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, in accordance with national legislation, provide the relevant national regulatory authorities with an updated translation of the fallback procedure.