

# Capacity Calculation Region Hansa TSOs' Proposal for Coordinated Redispatching and Countertrading methodology in accordance with Article 35 of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion management

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20 December 2017

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## **Disclaimer**

This document is released on behalf of all transmission system operators belonging to the Capacity Calculation Region Hansa ("Hansa TSOs") solely for the purpose of public consultation on the Hansa TSOs' proposal for a coordinated redispatching and countertrading proposal ("CRC Methodology" or "Proposal") in accordance with Article 35 of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management ("CACM Regulation"). This version of the proposal is a draft proposal and does not constitute a firm and binding TSOs' position on the content.

All TSOs of the Capacity Calculation Region Hansa, taking into account the following:

## Whereas

- (1) This document is a common proposal of the Transmission System Operators (hereafter referred to as “TSOs”) of Capacity Calculation Region (hereafter referred to as “CCR”) Hansa as described in the ACER decision<sup>1</sup>.
- (2) This Proposal is a common methodology for Coordinated Redispatching and Countertrading (hereafter referred to as “**CRC Methodology**”) in accordance with Article 35 of Commission Regulation (EU) 2015/1222 establishing a guideline on Capacity Allocation and Congestion Management (hereafter referred to as the “CACM Regulation”).
- (3) This CRC Methodology takes into account the general principles, goals and other methodologies set in the CACM Regulation, Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (hereafter referred to as “SO Regulation”), 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) No 714/2009”). The CACM Regulation sets out rules to ensure optimal use of the transmission infrastructure, operational security and optimising the calculation and allocation of cross-zonal capacity, and it sets requirements for the TSOs to cooperate on the level of CCRs, on a pan-European level and across bidding-zone borders. The SO Regulation defines rules and requirements for methodology development for the purpose of safeguarding operational security, frequency quality and the efficient use of the interconnected system and resources.
- (4) In accordance with Article 9(9) of the CACM Regulation, the proposed CRC Methodology for CCR Hansa contributes to and does not in any way hinder the achievement of the objectives of Article 3 of CACM Regulation. The CRC Methodology ensures operational security and fair and non-discriminatory treatment of TSOs (Article 3(c) and Article 3(e) of the CACM Regulation). It ensures operational security by specifying a process for coordination of countertrading and redispatching actions of cross-border relevance whereby the Regional Security Coordinator (hereafter referred to as “RSC”) is used as intermediary to ensure regional alignment. This in addition ensures equal treatment of TSOs.
- (5) The CRC Methodology of CCR Hansa is promoting better coordination of countertrading and redispatching actions, which will enable better use of the transmission infrastructure (Article 3(b) of the CACM Regulation). By enhancing coordination between TSOs and allowing for more effective use of countertrading and redispatching resources, the CRC Methodology ensures and enhances the transparency and reliability of information and contributes to the efficient long-term operation and development of the electricity transmission system and electricity sector in the Union (Article 3(f) and (g) of the CACM Regulation).
- (6) According to Article 2(13) of Commission Regulation (EU) 543/2013, countertrading means:  
*“a cross-zonal exchange initiated by system operators between two bidding zones to relieve physical congestion.”*

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<sup>1</sup> ACER’s definition of the Capacity Calculation Regions (CCRs) of 17 November 2016 (Annex I to CCR decision)  
[http://www.acer.europa.eu/Official\\_documents/Acts\\_of\\_the\\_Agency/ANNEXES\\_CCR\\_DECISION/Annex%20I.pdf](http://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/ANNEXES_CCR_DECISION/Annex%20I.pdf)

In relation to CCR Hansa, TSOs interpret the definition as follows:

*Countertrading is considered a measure with the objective to relieve physical congestions between two bidding zones, where the precise generation or load pattern alteration is not predefined.*

- (7) According to Article 2(26) of Commission Regulation (EU) 543/2013 redispatching means: *“a measure activated by one or several system operators by altering the generation and/or load pattern in order to change physical flows in the transmission system and relieve a physical congestion.”*

In relation to CCR Hansa, TSOs interpret the definition as follows:

*Redispatching is considered a measure with the objective to relieve physical congestions by altering particular generation and/or load pattern. Specifically, this refers to one or several TSO(s) requesting, when congestion appears, specific generators (or specific consumers) to start or increase production and specific other generators to stop or reduce production in order to maintain the network security.*

- (8) The need for countertrading and/or redispatching, which has an impact on the CCR Hansa bidding-zone borders, can be identified in different time frames, i.e. from day-ahead until real time, in order to mitigate congestions and to maintain operational security. This CRC Methodology ensures that redispatching and countertrading actions that have been identified in one timeframe are also taken into account in the following time frames.
- (9) Redispatching and countertrading may be used in real-time operation according to Article 23 of the SO Regulation, which sets out the principles for preparation, activation and coordination of remedial actions<sup>2</sup>.
- (10) According to Article 78(1)(b) of the SO Regulation, each TSO shall provide the RSC with an updated list of possible remedial actions among the categories listed in Article 22 of the SO Regulation.
- (11) The RSC will, after each capacity allocation, run the coordinated security analysis. In case this security analysis shows violations of operational security limits, it will select remedial actions from the list of remedial actions provided by the TSOs, test whether these relieve the violations, and subsequently propose these remedial actions to TSOs to be used. In case a TSO disagrees with the proposal, the TSO can make a counterproposal to the RSC who will test this in the operational security analysis. If the new set of countertrading and redispatching actions relieve the violation, the RSC will propose this to the TSOs involved. If no counterproposal is made by the TSO, the RSC will make new proposals to solve the physical congestion.

**SUBMIT THE FOLLOWING CRC METHODOLOGY PROPOSAL TO ALL REGULATORY AUTHORITIES OF THE CCR HANSA:**

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<sup>2</sup> Remedial actions according to the SO Regulation include countertrading and redispatching

## **Article 1**

### **Subject Matter and Scope**

1. This CRC Methodology shall be considered the common methodology of the TSOs in accordance with Article 35 of CACM Regulation and shall cover the coordinated redispatching and countertrading on any of the:
  - a. existing and future bidding-zone borders and interconnectors included in CCR Hansa to which the CACM Regulation applies; and
  - b. critical network elements with cross-border relevance for CCR Hansa borders in the adjacent AC grids.
2. The CRC Methodology shall cover the timeframes from day-ahead until real time, corresponding to the time frames covered by the Capacity Calculation Methodology developed in CCR Hansa according to Article 20 of the CACM Regulation.

## **Article 2**

### **Definitions and Interpretation**

1. For the purposes of the CRC Methodology, terms used in this document shall have the meaning of the definitions included in Article 2 of the CACM Regulation, of Regulation (EC) 714/2009, Directive 2009/72/EC and Commission Regulation (EU) 543/2013.
2. Especially the following shall apply according to Articles 2(13) and 2(26) of Commission Regulation (EU) 543/2013 which states:
  - a. "Countertrading" means a cross-zonal exchange initiated by system operators between two bidding zones to relieve physical congestion.
  - b. "Redispatching" means a measure activated by one or several system operators by altering the generation and/or load pattern in order to change physical flows in the transmission system and relieve a physical congestion.
3. In this CRC Methodology, 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 the Proposal.
  - c. References to an "Article" are, unless otherwise stated, references to an article of this CRC Methodology; and
  - d. Any reference to legislation, regulations, directives, orders, instruments, codes or any other enactment includes any modification, extension or re-enactment of it when in force.

## **Article 3**

### **Methodology for Coordinated Redispatching and Countertrading**

1. Countertrading and redispatching actions in CCR Hansa are applied in order to:
  - a. Maintain minimum technical limits for stable operation of a CCR Hansa HVDC interconnector.
  - b. Handle fault, failure or unplanned outage on a CCR Hansa interconnector, including converter stations.

- c. Handle a physical congestion in the AC grid with cross-border relevance for the CCR Hansa bidding-zone borders.
2. In order to ensure coordination of redispatching and countertrading to solve physical congestion identified within the coordinated operational security analysis:
  - a. TSOs shall supply a list of remedial actions including possible countertrading and redispatching actions and their anticipated costs to the RSC according to Article 78(1)(b) of the SO Regulation.
  - b. Where it detects a constraint, the RSC shall in accordance with Article 78(2)(a) of the SO Regulation recommend to the relevant TSOs the most effective and economically efficient remedial actions, including countertrading and redispatching actions, and may also recommend remedial actions, including countertrading and redispatching actions other than those provided by the TSOs. This recommendation shall be accompanied by explanations as to its rationale.
  - c. The RSC shall in accordance with Article 78(2)(b) of the SO Regulation coordinate the preparation of countertrading and redispatching actions with and among TSOs in accordance with Article 76(1)(b) to enable TSOs to achieve a coordinated activation of countertrading and redispatching actions in real time.
  - d. When identifying appropriate countertrading and redispatching actions, each RSC shall coordinate with other RSCs in accordance with Article 78(3) of the SO Regulation.
  - e. When a TSO receives, from the CCR Hansa appointed RSC, a proposal for countertrading and redispatching action, it shall evaluate the recommended action for the elements involved in that action and located in its control area in accordance with Article 78(4) of the SO Regulation.
  - f. The TSO shall decide whether to implement the recommended countertrading and redispatching actions. Where the TSO decides to implement the recommended countertrading and redispatching action, the TSO shall apply this action for the elements located in its control area provided that it is compatible with real-time conditions.
  - g. TSOs can accept the proposals and shall subsequently include these in the individual grid models for the relevant time frame in accordance with Article 70(4) of the SO Regulation.
3. In case TSOs do not agree with the countertrading and redispatching actions proposed by CCR Hansa's RSC, they:
  - a. Must provide an explanation to the RSC for not following the RSC recommendation; and
  - b. They can suggest different options to solve the congestion;
  - c. In case TSOs do not propose a different option to solve the congestion, the RSC will make new proposals to solve the physical congestion until an agreement is reached. Otherwise Article 3(4) shall be applied.
4. The TSOs shall, in order to ensure coordination for unexpected events causing physical congestions happening after the last relevant coordinated operational security analysis and until real time:
  - a. Coordinate bilaterally with neighbouring TSOs in order to plan and carry out countertrading and redispatching;

- b. Inform directly-impacted CCR Hansa TSOs and the CCR Hansa appointed RSC;
- c. Include the countertrading and redispatching actions in the next relevant individual grid models.
- d. Abstain from unilateral or uncoordinated redispatching and countertrading measures of cross-border relevance according to Article 35(4) of CACM Regulation.
- e. Avoid that a countertrading or redispatching action creates congestions in third TSOs' grid.

#### **Article 4**

##### **Documentation of Countertrading and Redispatching Actions**

1. The CCR Hansa RSC is obliged to keep a record for 5 years regarding proposed redispatching and countertrading actions including:
  - the redispatching and countertrading carried out based on the RSC proposal,
  - all additional redispatching and countertrading carried out in relation to the CCR Hansa borders and
  - all justifications for why a recommendation from RSC is not followed
2. In the event of launching bilateral countertrading or redispatching actions pursuant to article 3(4) , the TSOs of CCR Hansa are to inform the CCR Hansa RSC of such actions in order for these to be recorded.

#### **Article 5**

##### **Publication and Implementation of the Methodology**

1. The implementation of this CRC Methodology is subject to:
  - a. Regulatory approval of Redispatching and Countertrading Cost Sharing Methodology required by Article 74 of CACM Regulation in accordance with Article 9 of CACM Regulation;
  - b. Coordinated Operational Security Analysis Methodology according to Article 75 of SO Regulation has been implemented and the RSC for CCR Hansa is nominated for CCR Hansa and RSCs are in operation for CCR Hansa, CCR Core and CCR Nordic.

## **Article 6 Language**

The reference language for this Proposal shall be English. For the avoidance of doubt, where TSOs need to translate this 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 Proposal to their relevant national regulatory authorities.