Fallback Procedures of the Core Capacity Calculation Region

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 as amended by Commission implementing regulation (EU) 2021/280 of 22 February 2021

Consolidated version

~~**24 December 2024**~~

17 October 2026

Whereas

(1) Based on Article 44 of the Commission Regulation (EU) 2015/1222 establishing a guideline on capacity allocation and congestion management as amended by Commission implementing regulation (EU) 2021/280 of 22 February 2021 (hereafter "CACM Regulation"), each TSO, in coordination with all the other TSOs in the capacity calculation region (hereafter "CCR"), shall develop a fallback procedures proposal. Transmission system operators of the capacity calculation region Core (hereafter referred to as "Core TSOs") as defined by ACER' decision 04/2024[1] decided to develop procedures that are as much as possible harmonised across the Core CCR bidding zone borders. The Core CCR fallback procedures are developed for the implementation of 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 deliver results.

(2) According to Article 50 of the CACM Regulation, a fallback procedure defines an operational solution in the event that the respective nominated electricity market operators (hereinafter "NEMOs") performing market coupling operator (hereafter referred to as "MCO") functions are unable to deliver part or all of the results of the price coupling algorithm by the time specified in Article 37(1)(a) of the CACM Regulation.

(3) Since harmonised cross-zonal capacity allocation rules require the establishment and operation of a single allocation platform at the level where these rules are applied, the shadow auctions triggered by these fallback procedures should be performed by the single allocation platform, which is established in accordance with Article 48 of Commission Regulation (EU) 2016/1719 establishing a guideline on forward capacity allocation as amended by Commission Implementing Regulation (EU) 2021/280 of 22 February 2021 (hereafter "FCA Regulation"). According to Article 9(9) of the CACM Regulation, the expected impact of fallback procedures on the objectives of the CACM Regulation has to be described. It is therefore presented for the Core CCR fallback procedures below. The presented Core CCR fallback procedures generally contribute to the achievement of the objectives of Article 3 of the CACM Regulation.

(4) The Core fallback procedures were first approved by ACER decision 10/2018[2]. All European TSOs aiming at harmonizing shadow allocation rules on all European bidding zone borders, where they are applied as fallback solution in case the single day-ahead coupling (SDAC) fails to deliver market coupling results, this led to amend the full decoupling deadline, and thus the deadline for shadow auction results publication, in a first step from D-1 13:50 to D-1 14:00 in the first amendment as

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[1] Decision No 04/2024 of the European Union Agency for the cooperation of energy regulators of 19 March 2024 on the amendment to the determination of capacity calculation regions

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[2] Decision of Agency for the cooperation of energy regulators N0 10/2018 of 27 September 2018 on the Core capacity calculation region transmission system operators' proposal for fallback procedures

approved by ACER in its decision 02/2021[3], and in a second step from D-1 14:00 to D-1 14:20 in the second amendment approved by the Core regulatory authorities in 2022.

(5) ACER Decision No 10/2018 of 27 September 2018 approving the Core CCR 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 ("the CACM Regulation"). The latest approved version follows ACER Decision No 2/2021 of 30 March 2021 amending the above fallback procedures for the Core CCR.

(6) ACER Decision No 4/2024 of 19 March 2024 approved the accession of the bidding zone border between the Single Electricity Market (hereafter referred to as "SEM") and France (hereafter "SEM-FR bidding zone border"), which will become operational once the CELTIC interconnector is finalised, to the Core CCR.

(7) The fallback solution currently applicable in the Core CCR relies on shadow auctions. However, the SEM-FR bidding zone border requires a different SDAC fallback solution to shadow auctions, as the remaining time until the CELTIC go-live does not allow for implementing shadow auctions on the SEM side of the SEM-FR bidding zone border. Given also the ongoing discussions regarding the SDAC fallback solutions and potential changes to existing processes or procedures, it further seems sensible to not yet undertake to develop capability for shadow auctions on the SEM-FR bidding zone border.

(8) To still ensure and define respective fallback procedures for the SEM-FR bidding zone border before CELTIC go-live, intraday auction 1 (IDA1) and intraday continuous trading (IDCT) are to be used as the interim fallback solution on the SEM-FR bidding zone border. This proposed solution respects the objectives laid out in Article 3 of the CACM Regulation, with respect to promoting competition, optimizing use of cross-border transmission infrastructure, and providing non-discriminatory access to cross-zonal capacity.

Core TSOs developed the following fourth amendment of the Core CCR fallback procedures:

[3] Decision No 02/2021 of the European Union Agency for the cooperation of energy regulators of 30 March 2021 on the Amendment of the Fallback Procedures of the Core Capacity Calculation Region

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Article 1

Subject matter and scope

1. As required by Article 44 of the CACM Regulation, each Core TSO, in coordination with all other Core TSOs, 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 within the Core CCR.

2. This document establishes the fallback procedures for all bidding zone borders assigned to the Core CCR subject to the implementation plan defined in Article 5(2).

Article 2

Definitions and interpretation

1. For the purpose of the Core CCR fallback procedures, the terms used in this document shall have the meaning of the definitions included in Article 2 of the CACM Regulation, Regulation (EU) 2019/943, in Directive (EU) 2019/944and in Commission Regulation (EU) 543/2013. In addition, the following definitions shall apply:

   a) **Shadow auction** means the explicit auction run by allocation platform(s) by which daily cross-zonal capacity is offered as fallback procedure for the single day-ahead coupling and allocated to market participants who submit bid(s);

   b) **Allocation platform** means either the responsible TSO(s) at the respective bidding zone border(s) or an entity appointed and commissioned by them or nominated in accordance to national regulations to act on their behalf and on its own name for the attribution of cross-zonal capacity through the shadow auctions;

   c) **Allocation platform operator** means the respective entity through which the respective Core TSOs organise the attribution of cross-zonal capacity through shadow auctions on Core CCR bidding zone borders. The respective allocation platform operator will act on behalf of the respective serviced Core TSOs for this purpose;

   d) **Shadow allocation rules** means the rules for the fallback procedure for the allocation of cross zonal capacity in the day-ahead market timeframe applied by the allocation platform;

   e) **Decoupling** describes the event that the single day-ahead coupling process is unable to produce results on one or multiple bidding zone borders.

   ~~e)~~f) **SEM-FR bidding zone border** refers to the bidding zone border between the SEM and the French bidding zones

2. In the Core CCR fallback procedures, unless the context requires otherwise:

   a) the singular indicates the plural and vice versa;

   b) the headings are inserted for convenience only and do not affect the interpretation of the Core CCR fallback procedures; and

   c) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force.

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Article 3

Application of these fallback procedures

These fallback procedures shall apply to all bidding zone borders within the Core CCR that are participating in the single day-ahead coupling with the exception of the SEM-FR bidding zone border. The allocation platform shall publish those bidding zone borders in a list on its website and keep it up-to date with regard to new bidding zone borders within the Core CCR joining the single day-ahead coupling.

Article 4

Fallback Procedures for bidding zone borders of the Core CCR

1. All NEMOs performing MCO functions for the bidding zone borders of the Core CCR shall immediately inform the concerned Core TSOs via communication channels agreed between the respective NEMOs and Core TSOs in the event of risk that results for at least one bidding zone concerned within the Core CCR cannot be delivered within the deadline in accordance with Article 50(2) of the CACM Regulation.

2. In the event that the single day-ahead coupling process is unable to produce results for at least one bidding zone concerned within the Core CCR, excluding the SEM-FR bidding zone border, fallback procedures in the form of Shadow Auctions shall be performed by the respective allocation platform operator to allocate cross-zonal capacities on the concerned bidding zone border via the allocation platform. The shadow auctions shall use bilateral available transfer capacities to be provided by the respective Core TSOs on a daily basis for this purpose, that are also in line with the methodology pursuant to Article 20 of the CACM Regulation.

3. Shadow auctions are applied based on the shadow allocation rules annexed to these Core CCR fallback procedures and shall take place on the single allocation platform established in accordance with Article 48 of FCA Regulation.

4. If shadow auctions are triggered, the relevant NEMOs shall reopen their order books for the bidding zones concerned.

5. The respective allocation platform operator shall publish on the allocation platform's website the shadow auction results according to the provisions of the shadow allocation rules.

6. If the respective allocation platform operator is unable to produce results from shadow auctions for a concerned bidding zone border, the cross-border capacities to be allocated in the day-ahead market timeframe shall be set to zero and the available capacities shall be released for the intraday market timeframe. If there is no intraday allocation on a bidding zone border, cross border capacities are lapsed for the respective delivery date.

7. 7) The above Articles 4(3), 4(4), 4(5) and 4(6) are not applicable to the SEM-FR bidding zone border. In cases of decoupling at this bidding zone border, the fallback procedure is to use the first implicit intraday auction (intraday auction/IDA 1) or, should IDA1 be cancelled, intraday continuous trading (IDCT). All available cross-zonal capacity to be allocated across this bidding zone border for the day-ahead coupling is to be made available in the IDA 1 auction, or in case this is cancelled as well, via IDCT.

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Article 5

Publication and implementation of the fallback procedures

1. The Core TSOs shall publish this third amendment to the Core CCR fallback procedures without undue delay after the decision has been taken by the relevant national regulatory authorities in accordance with Article 9(7) of the CACM Regulation.

~~2. This third amendment to the Core CCR fallback procedures shall be applied as of its approval by the relevant national regulatory authorities in accordance with Article 9(7) of the CACM Regulation. The start of the application of the third amendment to Core CCR fallback procedures shall be published on the website of the allocation platform operator 30 calendar days before application.~~

2. These amended fallback procedures shall be implemented and operational as of their approval by all Core NRAs, as appropriate, and be applied as of commercial go-live of the CELTIC Interconnector. For the avoidance of doubt, this amendment is applicable for all bidding zone borders on the date of approval.

3. The Core fallback procedures, including the shadow allocation rules with its Core annex, shall be published on the concerned Core TSOs' websites and on the website of the allocation platform operator without undue delay after the decision has been taken by relevant national regulatory authorities in accordance with Article 9(7) of the CACM Regulation.

Article 7

Entry into force

This ~~third~~ fourth amendment of the Core TSOs fallback procedures, shall enter into force with the approval by the relevant national regulatory authorities in accordance with Article 9(7) of the CACM Regulation.

Article 8

Language

The reference language for the Core CCR fallback procedures shall be English. For the avoidance of doubt, where TSOs need to translate the Core CCR fallback procedures into their national language, 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 English version shall prevail and the relevant TSOs shall, in accordance with national legislation, provide the relevant national regulatory authorities with an updated translation of the Core CCR fallback procedures.