

**Proposal of amendment of
DA Fallback Procedures in SWE region
for day-ahead market coupling**

Explanatory Note

20 July 2020

1 Introduction

The Commission Regulation (EU) 2015/1222 establishing a guideline on Capacity Calculation and Congestion Management ('CACM') requires the development of Day-Ahead Fallback Procedures ('DA FBP') per Capacity Calculation Region ('CCR'). DA FBP for South-West ('SWE') CCR was approved by all SWE National Regulatory Authorities ('NRAs') in July 2018.

In this explanatory document SWE Transmission System Operators ('TSOs') will explain the changes included in the proposal for amendment of the SWE DA FBP for public consultation.

A track-change version of the SWE DA FBP reflecting the proposed changes is shared for informative purpose.

2 Motivation for the amendment

The Shadow Auctions ('SA') is the fallback procedure just for the France – Spain Interconnection in the SWE CCR. Until now, the Shadow Allocation Rules ('SAR') version 1.4 are the applicable rules for this border as reflected in the SWE DA FBP. This version coexists with another version of SAR (Regional SAR) applicable in other CCRs. A merging process has been done during first half of 2020 to compile both versions into one, applicable for all CCRs involved. This new version of SAR will be added as an annex in the amendment of SWE DA FBP and is being also consulted together with them.

Additionally, new operational timings in the Single Day-Ahead Coupling ('SDAC') affecting the publication time of SA results are expected to be in operation by end of this year 2020. Therefore, SWE DA FBP must be updated accordingly to cope with them.

3 Detailed modifications on the SWE DA FBP

Briefly, the main amendments of the SWE DA FBP and SAR are:

- SWE DA FBP:
 - The addition of the single version of SAR as an annex.
 - The modification of the deadline for sending the results of the SA to the market participants in line with the modifications of the SDAC procedures expected this year 2020.
 - The update of the reference to the version of Iberian Market Rules, recently updated.
- SAR:
 - The update of the references to the new European regulation.
 - The modification of the effective date and application in order SAR can enter into force during a year and not only the 1st January.
 - Some annex has been put aside in a document to be published by the Allocation Platform as they could be modified much frequently.
 - The modification of the deadline for sending the results of the SA to the market participants in line with the modifications of the SDAC procedures expected this year 2020.
 - A clarification in the Use It or Lose It rule.
 - The modification of the amendment process for SAR.