

CONSULTATION DRAFT

Italy North 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

November 2016

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WHEREAS

- (1) This document (hereafter referred to as “Italy North Borders Fallback Procedure”, or “ITNB Fallback Procedure”), including its annexes, is a common proposal developed by all Transmission System Operators (hereafter referred to as “TSOs”) within the Italy North Capacity Calculation Region (hereafter referred to as “Italy North 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) According to Article 9 (9) of the CACM Regulation, the expected impact of the proposed Fallback Procedure on the objectives of the CACM Regulation has to be described. The impact is presented below (point 3 of the Whereas).
- (3) The proposed Fallback Procedure contributes to and does not in any way hinder the achievement of the objectives of Article 3 of CACM Regulation. The Fallback Procedure ensures 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.

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, 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. 'APG' means Austrian Power Grid AG, the Austrian system operator;
 - b. 'Allocation Platform' means the entity appointed and commissioned by the TSOs to act on their behalf and on its own name for the attribution of Cross Zonal Capacity through the Shadow Auctions;
 - c. 'ELES' means ELES d.o.o. , the Slovenian system operator;
 - d. 'RTE' means Réseau de Transport d'Electricité, the French system operator;
 - e. 'Shadow Allocation Rules' means the rules for the Shadow Auctions applied by the Allocation Platform, and published on the Allocation Platform website¹, always in its last version;
 - f. 'Shadow Auction' means the explicit auction run by the Allocation Platform by which daily Cross Zonal Capacity is offered as fallback procedure for the single day-ahead coupling process and allocated to market participants who submit Bid(s);
 - g. 'TERNA' means TERNA S.p.A. Rete Elettrica Nazionale, the Italian system operator.

ITALY NORTH REGION FALLBACK PROCEDURE

Article 3

Shadow Auctions

1. In the event that single day-ahead coupling process is unable to produce results, TSOs will initiate a day ahead Fallback Procedure and launch the execution of Shadow Auctions on the Allocation Platform and if not, one of the situations specified in Article 4 is to apply accordingly.
2. Shadow Auctions are held seven days a week, including weekend and public holidays, provided that the offered capacity for Shadow Auctions is at least one MW unit.
3. The execution of Shadow Auctions is based on last valid version of Shadow Allocation Rules.

Article 4

Fallback procedure unable to be initiated

1. If the Fallback procedure cannot be implemented as necessary to enable an auction to be conducted in time, based on decision of Allocation Platform, the Shadow Auction will be postponed.
2. If postponement of a Shadow Auction is not considered by the Allocation Platform as being possible, based on objective grounds and in compliance with Shadow Allocation Rules, the Shadow Auction will be cancelled and all bids already submitted will automatically set to be invalid.

¹ <http://www.jao.eu/support/resourcecenter/overview>

3. When an implicit daily auction is cancelled and the associated Fallback procedure is also cancelled, the daily offered capacity is allocated to the subsequent relevant intraday allocation processes.

FINAL PROVISIONS

Article 5

Implementation

1. The arrangements described in Articles 3 and 4 shall be implemented with immediate effect.

Article 6

Language

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