

Notice

The document does not in any case represent a firm, binding or definitive TSOs position on the content. This version is released on behalf of the involved TSOs only for the purposes of the public consultation on the Harmonised Allocation Rules. Discussion of involved TSOs and NRAs with regard to the draft annex is not completed.

Compensation rules introduced under Article 4 assumes CACM GL will enter into force before the Allocation Rules and would be applicable to long term transmission rights. In case this assumption is not confirmed by the moment when approval process of Allocation Rules will be initiated, compensation rules under Article 4 will be replaced by compensation rules under Article 3.

If any provision of the harmonized compensation rules presented below are found to be in contradiction with applicable national legislation the compensation rules for relevant border(s) shall be amended to be either in line with respective legislation or to refer to relevant national legislation.

Annex 17 to the harmonised Allocation Rules for Forward Capacity Allocation Regional specific annex for CEE Region

Article 1

Subject-matter and scope

1. In accordance with Article 4 of the Allocation Rules regional or border specificities may be introduced for one (or more) Bidding Zone border(s). For CEE borders as defined in paragraph 3 of this Article
 - a) the curtailment process and curtailment compensation rules listed in this annex shall apply in derogation to Articles 58 to 60 of the Allocation Rules; and

- b) Article 35(3) of the Allocation Rules is further detailed in order to explicitly define constraints of the optimisation function in form of relevant Offered Capacities created by combination of specific CEE borders within Technical Profiles.
2. This annex is effective at the date of entry into force of the Allocation Rules subject to an approval of relevant National Regulatory Authorities. This annex may be reviewed based on request of the relevant National Regulatory Authorities. In case this annex needs to be amended based on a decision of the relevant National Regulatory Authorities, Article 67 of the Allocation Rules shall apply.
 3. The capitalised terms used in this annex are defined in the harmonised Allocation Rules to which this annex is attached unless otherwise specified below:

CEE region means the following seven (7) countries: Austria, Czech Republic, Germany, Hungary, Poland, Slovakia and Slovenia.

CEE borders means the Bidding Zone borders and their subsets as listed in annex 1 of the Allocation Rules where the Bidding Zone border or its subset is attributed to two countries of CEE region.

CEE TSO(s) means the TSO(s) to which the CEE borders are attributed in annex 1 of the Allocation Rules.

Technical Profile – A combination of CEE borders which have a common technical limit and represent the limit for commercial transactions on Interconnectors or parts of a national transmission system creating constraint of the optimisation function in form of relevant Offered Capacity in accordance with Article 35(3) of Allocation Rules.

Article 2

Compensation for curtailments to ensure System Security

1. This Article 2 replaces Article 58 of the Allocation Rules.
2. In cases of curtailment to ensure System Security, the Allocation Platform shall publish on its website the following deadlines:
 - (a) the Long Term Firmness Deadline which is set at the deadline for final submission of nominations of Physical Transmission Rights for each Bidding Zone border which shall be the ones described in the respective Nomination Rules in the case of Physical Transmission Rights and two (2) hours before the respective Day Ahead Market Gate Closure Time in the case of Financial Transmission Rights Options; and
 - (b) the Day Ahead Firmness Deadline which for the purpose of these Allocation Rules is set thirty (30) minutes before the respective Day Ahead Market Gate Closure Time.
3. Curtailment triggered to ensure System Security and published by the Allocation Platform on its website no later than at Day Ahead Firmness Deadline shall be performed in line with Article 57 of the Allocation Rules. Holders of curtailed Long Term Transmission Rights shall be entitled to receive from the Allocation Platform a reimbursement equal to the price of the Long Term Transmission Rights set during the Long Term Transmission Rights allocation, which for each affected hour and Registered Participant shall be calculated as:

- (a) the Marginal Price of the initial Auction; multiplied by
- (b) the volume in MW per hour corresponding to the difference between the Long Term Transmission Rights held by the Registered Participant before and after the curtailment.

Article 3

Reimbursement for curtailments due to Force Majeure or Emergency Situation before the Day Ahead Firmness Deadline

1. This Article 3 replaces Article 59 of the Allocation Rules.
2. Curtailment triggered due to Force Majeure and published by the Allocation Platform on its website no later than at Day Ahead Firmness Deadline shall be performed in line with Article 57 of the Allocation Rules. Holders of curtailed Long Term Transmission Rights shall not be entitled to get any compensation.
3. Curtailment triggered due to Emergency Situation and published by the Allocation Platform on its website no later than at Day Ahead Firmness Deadline shall be performed in line with Article 57 of the Allocation Rules. Holders of curtailed Long Term Transmission Rights shall be entitled to receive from the Allocation Platform a reimbursement equal to the price of the Long Term Transmission Rights set during the Long Term Transmission Rights Allocation Process as described in Article 2 (3) of this annex.

Article 4

Reimbursement or compensation for curtailments due to Force Majeure or Emergency Situation after the Day Ahead Firmness Deadline

1. This Article 4 replaces Article 60 of the Allocation Rules.
2. In the event of Force Majeure after the Day Ahead Firmness Deadline, holders of curtailed Long Term Transmission Rights shall be entitled to receive a reimbursement equal to the price of the Long Term Transmission Rights set during the Long Term Transmission Rights Allocation Process as described in Article 2 (3) of this annex.
3. In an Emergency Situation after the Day Ahead Firmness Deadline, holders of curtailed Long Term Transmission Rights shall be entitled to compensation calculated as the Long Term Transmission Rights in MW per hour corresponding to the difference between the allocated Long Term Transmission Rights held by the Registered Participant before and after the curtailment multiplied by a price calculated as follows:
 - (a) the Market Spread at the concerned Bidding Zone border for the concerned hourly period only in case the price difference is positive in the direction of the curtailed Long Term Transmission Rights; or
 - (b) the Marginal Price of the initial Auction if the day-ahead price is not calculated at least in one of the two relevant Bidding Zones.

Article 5

Constraints of the optimisation function

1. Some Bidding Zone borders and their subsets have in CEE region a common technical limit and therefore may create a Technical Profile.
2. Technical Profiles agreed by relevant CEE TSOs are listed below:

Set of Bidding Zone borders and/or their subsets/ having common technical limit			Technical Profile
List of responsible TSOs			
Czech Republic (CZ)	<>	Poland (PL)	PSE->(50Hertz+CEPS+SEPS) (50Hertz+CEPS+SEPS)->PSE
CEPS			
Slovakia (SK)			
SEPS	<>	PSE	
Germany (DE)	<>		
50Hertz			
Poland (PL)	<>	Germany (DE)	50Hertz-> (PSE+CEPS)
PSE			
Czech Republic (CZ)	<>	50Hertz	(PSE+CEPS)->50Hertz
CEPS			