

## 3<sup>rd</sup> Nordic stakeholder meeting on cross-border capacities

Date: 3 December 2019

Place: Danish Utility Regulator, Copenhagen

Agenda: Followed the points given below

### The ongoing process on the methodology and alternative configurations on a bidding zone review (Christophe Gence-Creux, ACER)

ACER gave a presentation on the ongoing process on the methodology and alternative configurations on the bidding zone review with proposals submitted by the TSOs in the various capacity calculation regions on 5 October 2019, albeit with only a minority of the TSOs, including the Nordics, proposing alternative configurations.

### The Nordic TSOs' assessment on the proposal for the methodology and assumptions to the bidding zone review process and for the alternative bidding zone configurations to be considered Mårten Bergman, Svenska Kraftnät

Svenska kraftnät gave a presentation on the reason behind the proposals for alternative bidding zone configurations in Norway and Sweden (no changes proposed in Denmark and Finland) acknowledging that the proposal for Sweden has raised comments from stakeholders.

### The 70 % minimum criterion for transmission capacity (Christophe Gence-Creux, ACER)

ACER gave a presentation on the 70 % minimum criterion for transmission capacity underlining its high priority for ACER and informing about the challenges in meeting the criterion on most of the interconnectors and on the ensuing requests for derogations and action plans submitted by several TSOs, including Svenska kraftnät. ACER highlighted the ultimate goal of meeting the 70 % criterion by 2025 notwithstanding a derogation or an action plan. Despite some challenges as regards data reporting, ACER did not foresee large difficulties with the Nordic TSOs meeting the criterion.

### The Nordic TSOs assessment and expected compliance of the 70 % minimum criterion for transmission capacity (Kjell A Barmsnes and Trond Jensen, Statnett, Timo Kaukonen, Fingrid, and Johannes Bruun, Energinet)

Statnett raised some methodological questions as to how to calculate compliance with the criterion in a meaningful way when looking at the objective of the criterion. Energinet and Fingrid informed that they did not foresee difficulties in meeting the criterion, although Energinet mentioned that the increasing number of interconnectors might have the perverse effect that the criteria could be difficult to meet.

On the meeting of the 70 % criterion and update ahead of the expiry of the commitments on the West Coast Corridor and current challenges in Southern Sweden (Erik Ek, Svenska Kraftnät)

Svenska Kraftnät gave a presentation about expected fulfilment of the 70 % criteria informing about the derogation submitted for regulatory approval. Svenska Kraftnät mentioned that it will not fulfil the criterion in every hour as of 1 January 2020 but that it expects compliance with the criterion from 2023 and that recently there has been an increase in day ahead cross border capacities on Swedish interconnectors. Svenska kraftnät further gave an update on the particular challenges in Southern Sweden, including in the West Coast corridor mentioning that volumes relating to countertrade have increased. Svenska kraftnät confirmed its commitment to give increasing capacity to the market and to run financial risks in its endeavour to do so but stressed that it was not willing to run risks in terms of operational security.

Comments from several stakeholders arguing that available data shows that in fact Svenska Kraftnät still could do more to increase capacity to the market, i.a. by allowing for more countertrade, which in fact is very limited even though the available resources would make it possible thereby allowing for increased flows from Denmark to Sweden.

Market developments in the CORE Region (Christophe Gence-Creux, ACER)

ACER gave presentation on market developments in the CORE region with focus on the challenges in meeting the 70 % criterion. ACER mentioned the increasing costs for remedial actions and for capacity mechanisms and the questions of sharing these costs.

Market developments focusing on FCA, DA and ID methodologies  
Kjell A Barmsnes, Statnett

Statnett gave presentation on market developments in the FCA, DA and ID markets mentioning i.a. the go live of the NUCS unavailability platform on 3 December 2019, the focus on go live of Flow Based, the implementation of a 15 minutes market time unit and on multi NEMO arrangements. Further, the present and foreseen challenges in running and further developing the market coupling algorithm were mentioned, i.a. with the upcoming proposal for terms and conditions for cross-zonal co-optimised capacity allocation.

Update on the implementation of the 3<sup>rd</sup> Energy Package in Norway and its implications for inclusion in CCR Nordic, capacity calculation and related activities, Vivi Mathiesen, The Norwegian Energy Regulatory Authority

The Norwegian Energy Regulatory Authority (NVE) gave an update on the implementation of the 3<sup>rd</sup> Energy Package in Norway and its implications for inclusion in CCR Nordic and capacity calculation, informing that the network codes and guidelines are to be implemented in Norwegian law and as such undergo a public consultation until 20 December 2019.

AOB and wrap up, Thomas vom Braucke, Danish Utility Regulator

The Danish Utility Regulator closed the meeting going through the key takeaways above and announcing that NordREG expects to hold a Nordic stakeholder meeting on cross-border capacities also in 2020 taking into account the importance of the topic and the fact that flow based still is not implemented in CCR Nordic.

