



# **Compliance with Regulation 1228/2003 and Congestion Management Guidelines – Criteria for Compliance**

**Ref: E07-EFG-25-03**

**10 December 2007**

## 1. Introduction

Article 9 of the Regulation (Regulation (EC) No 1228/2003 of the European Parliament and of the Council of 26 June 2003 on conditions for access to the network for cross-border exchanges in electricity) states that the regulatory authorities, when carrying out their responsibilities, shall ensure compliance with the Regulation and the guidelines adopted pursuant to Article 8 of the Regulation. Furthermore, Article 9 of the Regulation states that where appropriate to fulfil the aims of this Regulation they shall cooperate with each other and with the Commission.

During 2007, at the request of the European Commission, the ERREG prepared for the 14th Florence Forum a report on the ERREG's experience with the Member States' compliance with the Regulation. In the report, the ERREG assessed the compliance with the obligations under the Regulation in the areas of Inter-Transmission System Operator Compensation (ITC) mechanism, Transmission Tarification (TT), Congestion Management (CM) and, within that scope, transparency and new interconnectors.

The Compliance Report was presented at the 14th Florence Electricity Regulation Forum in September 2007. In the Florence Forum conclusions, the Forum stressed the importance of continuing this monitoring work and concluded that the second compliance report should be more specific and should allow the Commission to identify to what extent the legal requirements have been met by all market participants.

To fulfil the request of the Forum, the European Energy Regulators have prepared a report on compliance criteria consisting of a number of tables containing the issues to be assessed (i.e. Articles of Regulation and Congestion Management Guidelines), their interpretation and related criteria for assessing compliance for the future compliance report. For each of the Articles, relevant interpretations are provided for clarification. Based on the articles and their interpretations, the criteria for compliance have been defined. The criteria provide a checklist for each of the topics within the Articles of the Regulation and the Congestion Management Guidelines. The fulfilment of the criteria is the necessary condition for qualifying as being compliant. An explanation is also to be provided that clarifies the basis for the assessment. Where non-compliance or partial compliance is discovered, an explanation of the necessary actions is also foreseen.

The document will be used as a basis for a questionnaire for collecting the information from the national regulatory authorities for the report to be prepared and presented at the next Florence Forum in autumn 2008. The questionnaire will cover the issues of transmission tarification, congestion management and transparency. Articles on ITC compensation will not be covered by the questionnaire, as the scheme applied will be similar in all EU Member States and thus there is no need for specific input from the national regulatory authorities. In addition to the questionnaire, a separate table for collecting supplementary information, e.g. congestion revenues, G charges, will be prepared and circulated as well.

The collection of the information for compliance monitoring reporting is planned for the first quarter of year 2008 and the second ERREG report on compliance will be prepared in time for the 15th Florence Forum. After the Florence Forum, the results of the second ERREG compliance report will be subject to public consultation, where all stakeholders may give their views.

## 2. Compliance criteria

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This table lists issues to be addressed when next compliance report is produced. The questionnaire to NRAs is prepared based on the criteria defined in this document.				
REMARK: In document it is always referred to a single interconnection (i.e. between two control areas) unless mentioned otherwise				
REMARK: the document is part of fulfilment of requirements in Article 1.10 of Congestion Management Guidelines				
<b>REGULATION 1228/2003</b>				
<b>Article 1 Subject matter and scope -&gt; No specific compliance issues</b>				
<b>Article 2 Definitions -&gt; No specific compliance issues</b>				
<b>Article 3 Inter transmission system operator compensation mechanism -&gt; Article will be excluded from individual evaluation executed by NRAs, ITC agreement for 2008 – 2009 will be evaluated in the compliance report jointly</b>				
<b>Article 4 Charges for access to networks</b>				
<b>REMARK: Article is for both, cross-border and national access, as it is for common access for generators and loads</b>				
1. Charges applied by network-operators for access to networks shall be transparent, take into account the need for network security and reflect actual costs incurred insofar as they correspond to those of an efficient and structurally comparable network	Charges for access to networks shall be transparent meaning that TSOs shall publish them on their website and basis for charges are known.  Requirement related to network security is not clearly defined. In that point, the only issue related to network security that is allowed to be considered within the charges	TSO has described the tariff methodology.  All TSO network charges are published on TSO website.  NRA is annually checking that tariffs reflect only relevant (allowed) costs and take into account the need for network security.  Tariff methodology is publicly available.  Charges are identical for all customers and structure do reflect network relevant factors.  Charges are completely independent of distance between commercial		

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operator and applied in a non discriminatory manner. Those charges shall not be distance-related.	<p>is related to the cross-border /national redispatch and / or countertrade, if these costs are not already covered by another fund, e.g. congestion rents.</p> <p>Investments in longer term.</p> <p>Charges should reflect actual costs incurred, but how to interpret this requirement should be considered.</p> <p>Charges shall be non-discriminatory.</p> <p>Charges shall not be distance-related.</p>	<p>seller and buyer.</p> <p>NRA has ensured that charges comply with this Article.</p>		
2. Producers and consumers ('load') may be charged for access to networks. The proportion of the total amount of the network charges borne by producers shall, subject to the need to provide appropriate and efficient locational signals, be lower than the proportion borne by consumers. Where appropriate, the level of the tariffs applied to producers and/or consumers shall provide locational signals at European level, and take into account the amount	<p>“Total amount of network charges” shall be specified depending on the specific implementation in a given transmission system (country). NRAs shall communicate these transparently to each other.</p> <p>Proportion of total amount of charges paid by generators shall be lower than proportion of charges paid by consumers. Generation proportion shall be lower than 50 % (?).</p> <p>For compliance criteria, this specification is needed to measure against it whether the requirement is met.</p>	<p>Total amount of network charges borne by generation are transparently defined by TSO.</p> <p>NRA has communicated these definitions of network charges to each other.</p> <p>Proportion of total amount of charges paid by generators is lower than proportion of charges paid by consumers.</p> <p>NRA has communicated the proportion of total amount of charges paid by generators to each other.</p> <p>Locational signals (at European level), if applied, take into account the amount of network losses and congestion caused, and investment costs for infrastructure.</p> <p>NRA has ensured that charges comply with this Article.</p>		

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<p>of network losses and congestion caused, and investment costs for infrastructure. This shall not prevent Member States from providing locational signals within their territory or from applying mechanisms to ensure that network access charges borne by consumers ('load') are uniform throughout their territory.</p>				
<p>3. When setting the charges for network access the following shall be taken into account:</p> <ul style="list-style-type: none"> <li>— payments and receipts resulting from the inter-transmission system operator compensation mechanism;</li> <li>— actual payments made and received as well as payments expected for future periods of time, estimated on the basis of past periods.</li> </ul>	<p>In tariff setting actual payments and receipts from ITC mechanism shall be taken into account.</p> <p>If tariff is set for several years in the future historical occurred values are applied in tariff setting (the values of previous year shall be applied to the following years).</p> <p>These are taken implicitly into account.</p>	<p>When tariffs are set the payments and receipts from ITC mechanism are included.</p> <p>When setting tariff methodology the payments and receipts from ITC mechanism are included.</p> <p>TSO has sent this information to NRA.</p> <p>NRA has ensured the compliance with this Article.</p>		
<p>4. Providing that appropriate and efficient locational signals are in place, in accordance with</p>	<p>Charges for access to networks applied to producers and consumers shall be applied regardless of the countries of</p>	<p>TSO has described tariff methodology including issues defined here.</p> <p>Charges for access to network are applied regardless of country of destination or origin.</p>		

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<p>paragraph 2, charges for access to networks applied to producers and consumers shall be applied regardless of the countries of destination and, origin, respectively, of the electricity, as specified in the underlying commercial arrangement. This shall be without prejudice to charges on declared exports and declared imports resulting from congestion management referred to in Article 6.</p>	<p>destination and, origin, respectively, of the electricity, as specified in the underlying commercial arrangement.</p>	<p>NRA has ensured the compliance with this Article.</p>		
<p>5. There shall be no specific network charge on individual transactions for declared transits of electricity.</p>	<p>No network charges on individual transactions for market actors on interconnectors (except for those resulting from explicit or implicit auctions).</p>	<p>TSO has described the tariff methodology including this issue. No transaction based charges on interconnectors. NRA has ensured that charging complies with this Article.</p>		
<p><b>Article 5 Provision of information on interconnection capacities</b></p>				
<p>1. Transmission system operators shall put in place coordination and information exchange mechanisms to ensure the security of the networks in the context of congestion management.</p>	<p>TSOs shall have coordination mechanism and information exchange mechanism in place.</p>	<p>TSOs have described coordination and information exchange mechanism to ensure the security of the networks in the context of congestion management. TSOs have agreed on coordination and information exchange mechanism. TSOs have sent the description and agreement to their NRAs. NRAs have ensured that coordination and information exchange mechanisms are adequate to ensure security of the networks.</p>		

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<p>2. The safety, operational and planning standards used by transmission system operators shall be made public. The information published shall include a general scheme for the calculation of the total transfer capacity and the transmission reliability margin based upon the electrical and physical features of the network. Such schemes shall be subject to the approval of the regulatory authorities.</p>	<p>Safety, operational and planning standards used by TSOs are made public (TSOs publish on their website).</p> <p>General scheme to calculate the total transmission capacity and transmission reliability margin shall be published by TSOs (on their website).</p> <p>General scheme to calculate the total transmission capacity and transmission reliability margin shall be subject to the approval by the regulators. Approval shall be ex-post or ex-ante depending on regulator's powers.</p>	<p>TSO has described safety, operational and planning standards including general scheme for the calculation of the total transfer capacity and the reliability margin.</p> <p>TSO has published safety, operational and planning standards on their websites.</p> <p>TSO has published general scheme to calculate the total transmission capacity and transmission reliability margin on their website.</p> <p>TSOs have set schemes (general scheme for calculation of the total transfer capacity and the transmission reliability margins) subject to the approval by NRAs</p> <p>General scheme to calculate the total transmission capacity and transmission reliability margin has been subject to the approval of regulatory authorities.</p> <p>NRA has ensured that TSO's operation complies with this Article.</p>		
<p>3. Transmission system operators shall publish estimates of available transfer capacity for each day, indicating any available transfer capacity already reserved. These publications shall be made at specified intervals before the day of transport and shall include, in any case, week-ahead and month-ahead estimates, as well as a quantitative indication of the expected</p>	<p>TSO shall publish available interconnection transmission capacity for each day. Values include the capacity for the following day and week-ahead and month-ahead forecasts of daily capacity.</p> <p>If some capacity has been already reserved this will be published also daily (total amount of transmission capacity reserved).</p> <p>Reliability of week-ahead and month-ahead capacity shall be published if not expected to be firm.</p> <p>Quantitative indication of the</p>	<p>TSO has described the publication process (how to publish and where to publish).</p> <p>TSO has published available transmission capacity for each day (day-ahead publication).</p> <p>When publishing TSO has indicated any capacity already reserved.</p> <p>The publication occur daily (at specified intervals) before day of transport, including</p> <ul style="list-style-type: none"> <li>– week-ahead and month-ahead estimate of capacity and</li> <li>– quantitative indication of the expected reliability of the available capacity.</li> </ul> <p>TSO has sent the description to NRA.</p> <p>TSO has reported immediately to NRA if TSO is not able to meet the requirements set for publishing.</p>		

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reliability of the available capacity.	expected reliability means level of firmness of transmission capacity here (ref. CM-GL Article 2.4)	NRA has ensured that TSO comply with this Article.		
<b>Article 6 General principles of congestion management</b>				
REMARK: some overlaps with the CM Guidelines in compliance reporting may exist				
1. Network congestion problems shall be addressed with non-discriminatory market based solutions which give efficient economic signals to the market participants and transmission system operators involved. Network congestion problems shall preferentially be solved with non transaction based methods, i.e. methods that do not involve a selection between the contracts of individual market participants.	clear (CM Guidelines for details) Explicit and implicit auctions are accepted to be the market based solutions. These solutions are valid for day-ahead and longer term markets.	TSO has described the congestion management method applied. Congestion problems are solved either with explicit or implicit auctions or combination of these both. TSO has sent the description to NRA. NRA has ensured that methods comply with this Article (if not explicit or implicit auction).		
2. Transaction curtailment procedures shall only be used in emergency situations where the transmission system operator must act in an expeditious manner and redispatching or	Transaction curtailment means that the intended transaction (of the trader) is not executed as planned but (due to the changes in the cross-border schedules introduced by the TSOs) it must be reduced / curtailed. Intended transaction here is the	TSO has defined emergency situations, description exists. TSO has sent description to NRA. TSO has defined the curtailment procedures to be used in emergency situations; description of the curtailment procedure exists. TSO has sent description to NRA. TSO has published reasons for curtailments and actions made during		



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<p>countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner.</p> <p>Except in cases of 'force majeure', market participants who have been allocated capacity shall be compensated for any curtailment.</p>	<p>transaction for day-ahead and intra-day markets.</p> <p>After day-ahead market has closed TSO shall apply redispatching and countertrading to ensure transmission capacity.</p> <p>The curtailment shall be applied only in case of emergency operational conditions, e.g. in case of network or production failure where redispatching or counter trade cannot be used.</p> <p>It should be clarified whether reimbursement of what was paid for capacity could be considered as compliant with the Regulation.</p> <p>A market based scheme for compensation would be preferable. Even though not strictly required by this article, the Regulation requires for the adoption of market based solutions that give efficient economic signals (art. 6 point 1).</p> <p>Definition of Force Majeure (from CWE regional): "Force Majeure" means any not foreseeable event or situation beyond the reasonable control of a Party, and not due to a fault of such Party, which cannot reasonably be avoided or overcome, and which makes it impossible for such Party to fulfil temporarily or definitively, its</p>	<p>the curtailment (if such cases have occurred).</p> <p>TSO have applied curtailment procedure in non-discriminatory manner.</p> <p>TSO has defined 'force majeure'.</p> <p>TSO has sent the definition to NRA.</p> <p>TSO have set criteria for compensation to be paid to market participants if curtailment occurs (method of compensation should be given).</p> <p>TSO has sent the criteria to NRA.</p> <p>NRA has ensured that TSO procedures comply with this Article.</p>		

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	obligations hereunder in accordance with the terms of the Rules.			
3. The maximum capacity of the interconnections and/or the transmission networks affecting cross-border flows shall be made available to market participants, complying with safety standards of secure network operation.	<p>Maximum capacity is everything (all MWs) with the deduction of the reliability margin. A detailed method and model for that must replace (for the flow-based approach) the present ETSO NTC approach.</p> <p>Tbd (the definition will involve the definition of the necessary margin, within the timeframes, etc.)</p>	<p>TSO has in place methods to calculate transmission capacity and description of methods how to ensure availability of maximum transmission capacity, description of methods exists.</p> <p>TSO has sent to NRA methods of calculation of transmission capacity and description of methods how to ensure availability of maximum transmission capacity.</p> <p>NRA has checked the available capacity during the previous year and if TSO has given reasons when maximum capacity has not been made available.</p> <p>TSO has published the transmission capacity at the website and reasons if maximum capacity has not been made available.</p>		
4. Market participants shall inform the transmission system operators concerned a reasonable time ahead of the relevant operational period whether they intend to use allocated capacity. Any allocated capacity that will not be used shall be reattributed to the market, in an open, transparent and non-discriminatory manner.	<p>Here "reasonable time ahead" means at least more than one period (for daily operations day-1, for hourly hour-1, etc.) before the actual operational period, in order to allow for the TSOs to re-offer the non-used capacity back to the market.</p>	<p>TSO has set rules so that the information from market participants can be issued sufficiently ahead including</p> <ul style="list-style-type: none"> <li>– market participants have informed TSO in due time (for daily operations day-1, for hourly h-1 etc.) about their intentions,</li> <li>– rules for reattribution of transmission capacity have been established and published.</li> </ul> <p>TSO has published the rules to market participants.</p> <p>TSO has sent the rules to NRA.</p> <p>NRA has ensured that rules comply with this Article (e.g. transparency, non-discriminatory).</p>		
5. Transmission system operators shall, as far as	Here "as far as technical possible" means always and all the flows in	Rules for netting exist and have been defined by TSO.		

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<p>technically possible, net the capacity requirements of any power flows in opposite direction over the congested interconnection line in order to use this line to its maximum capacity. Having full regard to network security, transactions that relieve the congestion shall never be denied.</p>	<p>opposite direction. If not all the flows are netted, it must be clearly stated by the TSO why – however it cannot be imagined why it would be only partially netted.</p> <p>Transactions that relieve the congestion will always be in favour of improved security of the system.</p>	<p>Rules for netting have been delivered to NRA.</p> <p>TSO have reported to NRA if netting has been done during the previous year and all relieving transactions have been accepted (explanation given if netting has not been executed).</p> <p>NRA has ensured that TSO operation complies with this Article.</p>		
<p>6. Any revenues resulting from the allocation of interconnection shall be used for one or more of the following purposes:</p> <p>(a) guaranteeing the actual availability of the allocated capacity;</p> <p>(b) network investments maintaining or increasing interconnection capacities;</p> <p>(c) as an income to be taken into account by regulatory authorities when approving the methodology for calculating network tariffs, and/or in assessing whether tariffs</p>		<p>TSO have described how they aim split the use of revenues between three purposes described in this Article.</p> <p>TSO has sent the description to NRA.</p> <p>NRA has ensured that description complies with this Article.</p> <p>TSO report regularly to NRA the use of congestion revenues.</p> <p>NRA has ensured that all congestion revenues have been used for one or more of purposes mentioned in Article 6(6).</p> <p>Amount of revenues used for three purposes have been published.</p> <p>If used for network investments, the relevant projects are published.</p>		

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should be modified.				
<b>Article 7 New interconnectors → No specific compliance issues for individual NRA within the Compliance Report, Article specifies conditions for exemptions which shall be fulfilled when exemption is granted -&gt; Compliance report will list the exempted interconnectors</b>				
<b>Article 8 Guidelines → No specific compliance issues</b>				
<b>Article 9 Regulatory authorities → No specific compliance issues if regulators have necessary powers (this shall be checked)</b>				
<b>Article 10 → No specific compliance issues, except the one below</b>				
<p>1. Member States and the regulatory authorities shall, on request, provide to the Commission all information necessary for the purposes of Articles 3(4) and 8. In particular, for the purposes of Article 3(4) and 3(6), regulatory authorities shall provide on a regular basis information on costs actually incurred by national transmission system operators, as well as data and all relevant information relating to the physical flows in transmission system operators' networks and the cost of the network. The Commission shall fix a reasonable time limit within which the information is to be provided, taking into account the complexity of</p>	<p>It is the regulators who must provide the information on cost base and ITC to the EC.</p>	<p>Information has been provided to the EC by regulators if and as requested.</p>		

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the information required and the urgency with which the information is needed.				
<b>Article 11 → No specific compliance issues</b>				
<b>Article 12 → No specific compliance issues, except the one below</b>				
1. Without prejudice to paragraph 2, the Member States shall lay down the rules on penalties applicable to infringements of the provisions of this Regulation and shall take all measures necessary to ensure that they are implemented. The penalties provided for must be effective, proportionate and dissuasive. The Member States shall notify those provisions to the Commission by 1 July 2004 at the latest and shall notify it without delay of any subsequent amendment affecting them.		Rules on penalties applicable to infringements of the provisions of the Regulation have been implemented in national legislation.	No check of compliance on the tasks of the Member States  Compliance should be checked by EC	
<b>Article 13 Committee → No specific compliance issues</b>				
<b>Article 14 Commission report -&gt; No specific compliance issues, EC has published its report</b>				

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<b>Article 15 Entry into force → No specific compliance issues</b>				
<b>GUIDELINES ON THE MANAGEMENT AND ALLOCATION OF AVAILABLE TRANSFER CAPACITY OF INTERCONNECTIONS BETWEEN NATIONAL SYSTEMS (CONGESTION MANAGEMENT GUIDELINES)</b>				
<b>1 General provisions</b>				
<p>1.1 TSOs shall endeavour to accept all commercial transactions, including those involving cross-border trade.</p>	<p>There shall be no discrimination between the national and cross-border trade.</p> <p>Reasons for rejection of commercial transactions may be:</p> <ul style="list-style-type: none"> <li>– no acquisition of a transmission right within the allocation method;</li> <li>– technical constraints/ critical operation (e.g. blackout).</li> </ul> <p>All commercial transactions shall be accepted under the assumption that they have undergone the market based process of allocation as specified in these guidelines before (the time of operation) and that there is no proven (by the TSO) jeopardizing by accepting them at the timepoint of market operation (i.e. emergency operational state which might threaten the synchronous operation / blackout can be accepted as an excuse).</p>	<p>Criteria exist for accepting and not accepting commercial transactions.</p> <p>Criteria have been published to market participants.</p> <p>Criteria have been sent to NRA.</p> <p>NRA has ensured that criteria comply with CM-GL.</p> <p>In case of denying the commercial transactions the denial including the reasons for denial and compliance with criteria defined for accepting and not accepting commercial transactions have been communicated immediately to market participants.</p> <p>In case of denying the commercial transactions the denial including the reasons for denial and compliance with criteria defined for accepting and not accepting commercial transactions have been communicated immediately to NRA.</p>		

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<p>1.2 When there is no congestion, there shall be no restriction of access to the interconnection. Where this is usually the case, there need be no permanent general allocation procedure for access to a cross-border transmission service.</p>	<p>No restriction to the access to the interconnection, if there is no congestion on the interconnector.</p>	<p>TSO has published to market participants interconnectors where congestion management procedures exist. TSO has sent the information to NRA. NRA has ensured compliance with CM-GL.</p>		
<p>1.3 Where scheduled commercial transactions are not compatible with secure network operation, the TSOs shall alleviate congestion in compliance with the requirements of grid operational security while endeavouring to ensure that any associated costs remain at an economically efficient level. Curative redispatching or countertrading shall be envisaged in case lower cost measures cannot be applied.</p>	<p>Scheduled commercial transactions (in the sense also of the definitions in the Regulation above) are after the gate closure on the day-1.</p> <p>Economically efficient level is ensured by comparing costs emerging from congestion management (auctions), redispatch, countertrade or new line and minimising costs.</p> <p>NRAs monitor congestion costs; also those based on redispatch and counter trading.</p> <p>In a second step it should be also specified the lower cost measures instead of redispatching or counter trading. Are these lower cost measures implicit/explicit auction and continuous intra-day market?: In a second step based on the TSO data one could compare the costs to lower cost measures.</p>	<p>TSO have assured the use of procedures and criteria that reflect economical efficiency and requirements of grid operational security in order to alleviate congestion,</p> <p>TSO has reported regularly counter trade/redispatching costs and volumes by the hour/day and month for each interconnector to NRA.</p> <p>TSO has assessed that lower cost measures than redispatching or countertrading have not been available.</p>		

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	<p>Redispatching may not be relevant in day-ahead operation, more need for redispatching during the operational hour.</p>			
<p>1.4 If structural congestion appears, appropriate congestion management rules and arrangements defined and agreed upon in advance shall be implemented immediately by the TSOs. The Congestion management methods shall ensure that the physical power flows associated with all allocated transmission capacity comply with network security standards.</p>	<p>TSO shall define the criteria for structural congestions. Here also requirements from Article 1.3 may after some months of monitoring indicate where the structural congestions are present.</p> <p>In any case, no long-term allocation shall be applied in case the result of an assessment show that only short term congestions exists.</p> <p>TSOs may have defined and agreed on methods; however, further development should be envisaged after experience has been gained from implementation.</p>	<p>TSO has defined structural congestion in the context of CM-GL.</p> <p>TSO has defined where structural congestions exist.</p> <p>Congestion management rules have been defined by TSO in advance.</p> <p>Congestion management arrangements have been defined and agreed upon by TSO in advance.</p> <p>TSO has implemented the congestion management rules and arrangements.</p> <p>Compliance of congestion management methods with network security standards has been ensured by TSO.</p> <p>TSO has communicated congestion management rules and arrangements transparently to market participants.</p> <p>TSO has sent congestion management rules and described arrangements to NRA.</p> <p>TSO has reported compliance of congestion management methods with network security standards to NRA.</p> <p>NRA has ensured that congestion management rules and arrangements comply with this Article.</p> <p>NRA has ensured the compliance of congestion management methods with network security standards.</p> <p>TSO has set monitoring process for implementation of congestion management rules and arrangements including the criteria for further development of congestion management rules and arrangements.</p> <p>TSO has sent the description of monitoring process to NRA.</p>		



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<p>1.5 The methods adopted for congestion management shall give efficient economic signals to market participants and TSOs, promote competition and be suitable for regional and communitywide application.</p>	<p>Market coupling will give efficient economic signals to market participants and diminish possibilities of market abuse.</p> <p>Implicit / explicit auctions give efficient economic signals to market participants.</p> <p>Being transparent about countertrading will give economic efficient signals (implicit).</p> <p>Being (close to real time) transparent about redispatching will give economic efficient signals (explicit).</p> <p>Regional and communitywide application requires that the methods can be applied together and in a coordinated way on interconnector and several interconnectors.</p> <p>Criteria for suitability for regional and communitywide application are defined in Chapter 3 of CM-GL.</p>	<p>Congestion management methods applied give efficient economic signals to market participants and TSOs.</p> <p>Evaluation of this economic efficiency has been regularly made by TSO.</p> <p>Conclusions of this economic evaluation that led to any changes have been sent to NRA.</p> <p>Congestion management methods promote competition.</p> <p>Evaluation of this competition aspect has been regularly made by TSOs.</p> <p>Conclusions of this competition evaluation that led to any changes have been sent to NRA.</p> <p>NRA has ensured that congestion management methods applied comply with this Article (efficient economic signals and promote competition).</p> <p>Congestion management methods are suitable for regional and communitywide application; suitability is evaluated according to Chapter 3 of CM-GL by NRAs.</p>		
<p>1.6 No transaction-based distinction may be applied in congestion management. A particular</p>	<p>No distinction is based on transactions.</p> <p>Transmission request can be denied only when the following two</p>	<p>TSO has reported cases where transaction-based distinction happened to the NRA.</p> <p>NRA has ensured that congestion management methods comply with this Article.</p>		

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<p>request for transmission service shall be denied only when the following conditions are jointly fulfilled:</p> <p>(a) the incremental physical power flows resulting from the acceptance of this request imply that secure operation of the power system may no longer be guaranteed, and</p> <p>(b) the value in monetary amount attached to this request in the congestion management procedure is lower than all other requests intended to be accepted for the same service and conditions.</p>	<p>conditions are jointly met:</p> <ul style="list-style-type: none"> <li>- security of supply is violated,</li> <li>- monetary value is less than value of other requests.</li> </ul> <p>CM methods (implicit and explicit auction) applied take care of these requirements.</p>			
<p>1.7 When defining appropriate network areas in and between which congestion management is to apply, TSOs shall be guided by the principles of cost-effectiveness and minimisation of negative impacts on the Internal Electricity Market. Specifically, TSOs may not limit interconnection</p>	<p>TSOs shall communicate the reasons for limiting interconnector capacity due to internal congestions.</p> <p>Congestion inside their own control area shall not limit cross-border capacity and trading. If such a situation occurs, this shall be described and transparently presented to all the users by the TSOs. The methodology and projects for achieving the long-</p>	<p>The reasons explaining the limitations of transmission capacity on interconnectors emerging from internal congestions have been described and transparently presented at website of TSO or power exchange (at time of capacity publication).</p> <p>TSO has found a long-term solution to solve the internal congestions and their impact on interconnector capacity.</p> <p>TSO has described and transparently presented (at the website) the methodology and projects with time table for achieving long-term solution to solve the problem of limiting interconnection capacity in order to solve congestions inside their control area.</p> <p>TSO has sent the description to solve the problem with timetable to</p>		

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<p>capacity in order to solve congestion inside their own control area, except for the above mentioned reasons and reasons of operational security. If such a situation occurs, this shall be described and transparently presented to all the users by the TSOs. Such a situation may be tolerated only until a long-term solution is found. The methodology and projects for achieving the longterm solution shall be described and transparently presented to all the users by the TSOs.</p>	<p>term solution shall be described and transparently presented to all the users by the TSOs.</p> <p>Reports on reductions and reasons shall be published by TSOs.</p>	<p>NRA.</p> <p>NRA has ensured that TSO complies with this Article.</p>		
<p>1.8 When balancing the network inside the control area through operational measures in the network and through redispatching, the TSO shall take into account the effect of these measures on neighbouring control areas.</p>	<p>Balancing or regulation market should take care of balancing between supply and demand within a control area.</p> <p>Flows at the network – effect on other TSOs (ramping, loop flows, pumping) should be known by TSOs.</p> <p>Operational agreement shall take care of this – should be ensured within UCTE, Nordel, etc.</p>	<p>TSO has defined rules and procedures how the effects of measures (physical flows) on neighbouring control areas are taken into account when balancing the network inside control area through operational measures in the network and through redispatching.</p> <p>TSO has informed neighbouring TSOs about the rules.</p> <p>TSO has sent the rules and procedures to NRA.</p> <p>NRA has ensured that rules and procedures comply with this Article.</p>		
<p>1.9 By not later than 1</p>	<p>Intra-day capacity allocation</p>	<p>Mechanism for intra-day congestion management of interconnector</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>January 2008, mechanisms for the intra-day congestion management of interconnector capacity shall be established in a coordinated way and under secure operational conditions, in order to maximise opportunities for trade and to provide for cross-border balancing.</p>	<p>should cover all interconnectors by 1 January 2008.</p> <p>Intra-day mechanism shall be evaluated against opportunities for trade and cross-border balancing.</p>	<p>capacity have been described by TSOs.</p> <p>TSO has published rules on the mechanism for intra-day congestion management of interconnector by 01.01.2008.</p> <p>TSO has sent the description of intra-day mechanism to NRA.</p> <p>NRA has ensured that mechanism for the intra-day congestion management of interconnector capacity comply with this Article (Intra-day congestion management of interconnector has been established in a coordinated way (both on allocation and on day-ahead and balancing markets) and under the secure operational conditions) - evaluation is based on requirements in chapter 3.</p>		
<p>1.10 The national Regulatory Authorities shall regularly evaluate the congestion management methods, paying particular attention to compliance with the principles and rules established in the present Regulation and Guidelines and with the terms and conditions set by the Regulatory Authorities themselves under these principles and rules. Such evaluation shall include consultation of all market players and dedicated studies.</p>	<p>The NRAs shall evaluate the congestion management methods once a year. The results of that evaluation shall be included in the ERGEG annual compliance report to the EC.</p> <p>Annual compliance report prepared after the interpretations and criteria shall be sufficient for regular evaluation of congestion management methods when consulted among all market players after Florence Forum.</p> <p>If appropriate, dedicated studies are defined based on evaluation and replies from consultation. MS/TSOs may also launch studies to enhance or evaluate congestion management methods.</p>	<p>NRAs have agreed on regular evaluation process for congestion management methods and its contents (i.e. NRAs have evaluated the congestion management methods annually, based on the criteria in this document and compiled the results in the Report to the EC which is delivered and presented in Florence).</p> <p>Consultation of the compliance report has been conducted annually.</p> <p>Need for dedicated studies have been evaluated during annual compliance evaluation.</p>	<p>Should be defined based on compliance reporting and fulfilment of NRAs replies during this process</p>	
<p><b>2. Congestion management methods</b></p>				

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>2.1 Congestion management methods shall be market-based in order to facilitate efficient cross-border trade. For this purpose, capacity shall be allocated only by means of explicit (capacity) or implicit (capacity and energy) auctions. Both methods may coexist on the same interconnection. For intra-day trade continuous trading may be used.</p>	<p>Explicit and implicit auctions are only allowed.</p> <p>Rules on coexistence of both methods on the same interconnector shall be based either on time division or capacity division between these two methods or both.</p>	<p>TSO has described the yearly allocation method (if exist).</p> <p>TSO has published the description of yearly allocation method to market participants.</p> <p>TSO has sent the yearly allocation method to NRA.</p> <p>Allocation method for yearly allocation is implicit or explicit auction (reply shall include the method which is applied and description of the method if not implicit or explicit auction).</p> <p>TSO has described the monthly allocation method (if exist).</p> <p>TSO has published the description of monthly allocation method to market participants.</p> <p>TSO has sent the description of monthly allocation method to NRA.</p> <p>Allocation method for monthly allocation is implicit or explicit auction (reply shall include the method which is applied and description of the method if not implicit or explicit auction).</p> <p>TSO has described the daily allocation method (if exist).</p> <p>TSO has published the description of daily allocation method to market participants.</p> <p>TSO has sent the description of daily allocation method to NRA.</p> <p>Allocation method for daily allocation is implicit or explicit auction (reply shall include the method which is applied and description of the method if not implicit or explicit auction).</p> <p>TSO has described the intra-day allocation method (if exist).</p> <p>TSO has published the description of intra-day allocation method to market participants.</p> <p>TSO has sent the description of intra-day allocation method to NRA.</p> <p>Allocation method for intra-day trade (reply shall include the method</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
		<p>which is applied and description of method).</p> <p>TSO has defined rules and procedures to allocate capacity on different time frames (if allocation in different time frames exists).</p> <p>TSO has published the rules and procedures to allocate capacity on different time frames to market participants.</p> <p>TSO has sent the rules and procedures to allocate capacity on different time frames to NRA.</p> <p>NRA has ensured that congestion management methods comply with this Article.</p>		
<p>2.2 Depending on competition conditions, the congestion management mechanisms may need to allow for both long- and short-term transmission capacity allocation.</p>		<p>TSOs have described the reasons (those especially implied by competition conditions) for having / not having both long- and short-term transmission capacity allocation.</p> <p>TSO have sent the description to NRA.</p> <p>NRA has ensured that congestion management mechanism comply with this Article.</p>		
<p>2.3 Each capacity allocation procedure shall allocate a prescribed fraction of the available interconnection capacity plus any remaining capacity not previously allocated and any capacity released by capacity holders from previous allocations.</p>	<p>Allocation procedure includes description how available capacity is allocated to different time frames (yearly, monthly, daily, intra-day and balancing markets).</p> <p>Capacity holders shall have rules and procedures how the capacity can be released.</p> <p>All available capacity shall be allocated and any remaining capacity shall be allocated to the next allocation.</p>	<p>Allocation procedure for different time frames has been defined by TSO.</p> <p>TSO has sent the allocation procedure to NRA.</p> <p>NRA has ensured that allocation procedures comply with this Article.</p> <p>Results of different allocations have been published to market participants including the remaining unallocated capacity and capacity released from capacity holders from previous allocations.</p> <p>TSO has provided regularly reports on used capacity within different time frames including “left-overs” (difference between used and available capacity) to NRA (Report will be used for evaluation of the efficiency of allocation procedure and maximisation of capacity; report can be used in compliance check).</p>		

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<p>2.4 TSOs shall optimise the degree to which capacity is firm, taking into account the obligations and rights of the TSOs involved and the obligations and rights of market participants, in order to facilitate effective and efficient competition. A reasonable fraction of capacity may be offered to the market at a reduced degree of firmness, but the exact conditions for transport over cross-border lines shall at all times be made known to market participants.</p>	<p>Capacity shall be firm for day-ahead trade (except for prescribed force majeure and emergency situations). TSOs shall ensure this by redispatching or countertrade during the next day.</p> <p>Reduced firmness when offering capacity is not commonly applied on interconnectors. The discussion about this is already ongoing in the discussion on FFTR. Degree of reliability in Regulation 5.2 to be considered here.</p> <p>Maximize capacity for trade is a key issue here.</p> <p>Timeframes for capacity announcement should be defined.</p> <p>Any changes and updates of the conditions for transport over cross-border lines shall always be updated ASAP, i.e. immediately after agreement and approval.</p>	<p>TSO has defined degree of firmness for transmission capacity on interconnectors for all markets aiming at optimising the firmness of capacity taking into account the obligations and rights of the TSOs involved and the obligations and rights of market participants in order to facilitate effective and efficient competition.</p> <p>TSO has transparently informed the market participants how the degree of firmness for transmission capacity on interconnectors has been defined.</p> <p>TSO has sent definitions to NRA.</p> <p>NRA has ensured that definitions comply with this Article.</p> <p>Deviations from firmness on day-ahead markets have been recorded and reasons for curtailments have been published.</p> <p>Degree of firmness has been published for those interconnectors where capacity is offered with lower degree of firmness (if applied).</p> <p>Changes in conditions of transport and its firmness over cross-border lines have been reported immediately after their implementation to market participants.</p>		
<p>2.5 The access rights for long- and medium-term allocations shall be firm transmission capacity rights. They shall be subject to the use-it-or-lose-it or use-it-or-sell-it principles at the time of nomination.</p>	<p>Long- and medium-term means here longer than one month until one year.</p> <p>Interconnectors having long- and medium term allocations shall be mapped and published to market participants.</p> <p>Firm transmission rights mean here 100 % firmness.</p>	<p>TSO has mapped the interconnectors having long- and medium term access rights (from one month to one year).</p> <p>TSO has described UIOLI or UIOSI principles.</p> <p>UIOLI or UIOSI principles have been applied at the time of nomination.</p> <p>TSO has communicated UIOLI or UIOSI principles transparently to market participants.</p> <p>TSO has sent descriptions of UIOLI and/or UIOSI principles to NRA.</p>		

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	<p>Nomination will happen one day before the market (e.g. day before daily markets) (are there any other time frames e.g. for monthly allocations).</p> <p>Use-it-or-lose-it (UIOLI) or use-it-or-sell-it (UOSI) principles per interconnected shall be mapped and published to the market.</p>	<p>TSO monitor the implementation of UOLI or UIOSI procedures (monitoring procedure exists and is implemented).</p> <p>NRA has ensured that access rights and principles comply with this Article.</p>		
<p>2.6 TSOs shall define an appropriate structure for the allocation of capacity between different timeframes. This may include an option for reserving a minimum percentage of interconnection capacity for daily or intra-daily allocation. This allocation structure shall be subject to review by the respective Regulatory Authorities. In drawing up their proposals, the TSOs shall take into account:</p> <p>(a) the characteristics of the markets,</p> <p>(b) the operational conditions, such as the implications of netting firmly declared schedules,</p>	<p>Regulators may define if some percentage of interconnection capacity should always be reserved for daily or intra-day allocation.</p> <p>Allocation structure shall be subject to review by RAs. RAs shall ask description of structure for the allocation of capacity between different time frames. This shall be done either ex-ante or ex-post depending on regulatory framework within a MS.</p> <p>Time schedule for this review shall be set in this document.</p>	<p>TSOs have defined structure for allocation of capacity between different time frames including reservation of minimum percentage of interconnection capacity for daily and/or intra-day allocation.</p> <p>TSOs have delivered the allocation structure to NRAs for review.</p> <p>NRA has reviewed the allocation structure and in the review ensured that in the allocation structure the 3 criteria set in this Article have been taken into account.</p>		



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(c) the level of harmonisation of the percentages and timeframes adopted for the different capacity allocation mechanisms in place.				
2.7 Capacity allocation may not discriminate between market participants that wish to use their rights to make use of bilateral supply contracts or to bid into power exchanges. The highest value bids, whether implicit or explicit in a given timeframe, shall be successful.	<p>Here the rights mean transmission capacity rights.</p> <p>This paragraph is only valid for explicit auction. This may be discussed and decided further, because at the moment bilateral supply contracts for capacity across interconnectors are not available at interconnectors with implicit auction. The basic concern here should be that market design that creates barriers to bilateral trading should be removed.</p> <p>Is here an inconsistency, because of reference to implicit and explicit bids (vs. bilateral supply contracts) because implicit auction includes both energy and capacity? Maybe a contradiction in itself, since with implicit auction there are no capacity rights but the obligation (you have bought the power delivery at a time from A to B at the power exchange and have to pay it as it is to the PEX).</p>	<p>TSO has established objective and non-discriminatory rules and procedures for capacity allocation within explicit auction to ensure non-discriminatory treatment between those that wish to use their rights to make use of bilateral supply contracts or to bid into power exchanges.</p> <p>TSO has communicated these rules transparently to market participants (either through TSO or PEX website).</p> <p>TSO has sent the rules to NRA.</p>		
2.8 In regions where	This is exemption to 2.6 CM-GL.	If only implicit auctions exists:		

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forward financial electricity markets are well developed and have shown their efficiency, all interconnection capacity may be allocated through implicit auctioning.	<p>Well-development of forward financial electricity market shall be defined to be some portion of a yearly consumption within the market area. The portion should be defined e.g. to be at least the order of the consumption within market area. Evaluation of how financial markets are developed shall be made by NRAs in co-operation with other authorities.</p> <p>The annual figures (TWh) for forward financial market shall be followed.</p> <p>Criteria shall be developed by authorities for assessment of liquidity of the forward financial electricity markets.</p>	<p>Relevant authorities have analysed that the markets are well developed.</p> <p>Report on this has been published delivering the criteria and analysis and evaluation based on these criteria.</p>		
2.9 Other than in the case of new interconnectors which benefit from an exemption under Article 7 of the Regulation, establishing reserve prices in capacity allocation methods shall not be allowed.		<p>TSO has no reserve prices in allocation methods on any interconnector, except those having exemption under Article 7 of the Regulation.</p> <p>NRA has ensured compliance with this Article.</p>		
2.10 In principle, all potential market participants shall be permitted to participate in the allocation process	TSO shall be responsible of publishing the rules and procedures for participation and informing them to NRA.	<p>TSO has defined the participation rules especially taking into account that all potential market participants are permitted to participate in the allocation process without restriction.</p> <p>TSO has published the rules to market participants.</p>		

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<p>without restriction. To avoid creating or aggravating problems related to the potential use of dominant position of any market player, the relevant Regulatory and/or Competition Authorities, where appropriate, may impose restrictions in general or on an individual company on account of market dominance.</p>	<p>Definition of potential market participants should be discussed among RAs.</p> <p>Procedures to monitor the potential use of dominant position should be discussed. How to define the restrictions in general or an individual company on account of market dominance (e.g. procedure how to do it). These procedures and rules should be defined in advance.</p>	<p>TSO has sent the participation rules to NRA.</p> <p>Procedures and rules to monitor the potential use of dominant position of any market player and to set restrictions are in place. These are set by relevant Regulatory and/or Competition Authorities.</p> <p>Procedures and rules have been transparently communicated to market participants.</p> <p>Relevant authorities have implemented the monitoring process for potential use of dominant position.</p>		
<p>2.11 Market participants shall firmly nominate their use of the capacity to the TSOs by a defined deadline for each timeframe. The deadline shall be set such that TSOs are able to reassign unused capacity for reallocation in the next relevant timeframe — including intra-day sessions.</p>	<p>Deadlines have been defined and should be compatible across the regional market and IEM.</p> <p>When setting deadlines it should be taken into account that TSOs are able to reassign the unused capacity for reallocation – this means co-ordination within time frames of different auctions.</p>	<p>Deadlines for nominations of the use of capacity have been published for firm nominations for rights bought in annual allocation by TSO (if applicable).</p> <p>Deadlines for nominations of the use of capacity have been published for firm nominations for rights bought in monthly allocation by TSO (if applicable).</p> <p>Deadlines for nominations of the use of capacity have been published for firm nomination for rights bought in daily allocation by TSO.</p> <p>Deadlines for nominations of the use of capacity have been published for firm nomination for rights bought in intra-day allocation by TSO (if applicable).</p> <p>TSO has communicated these deadlines with nomination procedures to NRA.</p> <p>NRA has ensured that nomination procedure complies with this Article.</p>		
<p>2.12 Capacity shall be freely tradable on a secondary basis, provided that the TSO is</p>	<p>Applies only for explicit auctions.</p> <p>Deadline to inform TSO shall be defined.</p>	<p>A secondary market for allocated – but not yet nominated – capacities exists (organiser of market is defined and given here).</p> <p>TSO has set rules and procedures for secondary capacity markets</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>informed sufficiently in advance. Where a TSO refuses any secondary trade (transaction), this must be clearly and transparently communicated and explained to all the market participants by that TSO and notified to the Regulatory Authority.</p>	<p>Deadline when TSO shall at the latest refuse the secondary trade shall be set by TSO.</p> <p>TSO shall set rules and procedures for secondary trade and communication of refusals and notifications to the RA.</p> <p>DEFAULT: TSO will be the organiser of the market.</p> <p>Information is available on a transparent manner (e.g. offered quantities, traded volumes, prices).</p>	<p>(including deadlines for information and for refusals including the reasons).</p> <p>TSO has transparently published the rules and procedures to market participants.</p> <p>TSO has sent the rules and procedures to NRA.</p> <p>Secondary market information is transparently available (e.g. offered quantities, traded volumes, prices).</p> <p>Any refusal of secondary trade with reasons to refusal by TSO have been published at TSO (or PEX) website.</p> <p>Any refusal of secondary trade with reasons to refusal has been notified to NRA.</p> <p>NRA has ensured that rules and procedures set here comply with this Article.</p>		
<p>2.13 The financial consequences of failure to honour obligations associated with the allocation of capacity shall be attributed to those who are responsible for such a failure. Where market participants fail to use the capacity that they have committed to use, or, in the case of explicitly auctioned capacity, fail to trade on a secondary basis or give the capacity back in due time, they shall lose the rights to such capacity and pay a</p>	<p>Rules to ensure that financial consequences of failure to honour obligations associated with the allocation of capacity have been attributed to those who are responsible for such a failure.</p> <p>For the TSOs the definition must be elaborated further, including also monitoring.</p> <p>TSOs (synchronous areas) are responsible to set up key concepts and methods, subject to review and approval by NRAs.</p>	<p>TSO has defined ex-ante rules that ensure that financial consequences of failure to honour obligations associated with the allocation of capacity have been attributed to those who are responsible for such a failure, including rules when market participants fail to use the capacity that they have committed to use, or, in the case of explicitly auctioned capacity, fail to trade on a secondary basis or give the capacity back in due time have been defined in advance, including that they shall lose the rights to such capacity and pay a cost-reflective charge.</p> <p>TSO has transparently published these rules to market participants.</p> <p>TSO has sent the rules to NRA.</p> <p>The cost-reflective charge has been defined for the above mentioned failures (being justified and proportionate) within these rules.</p> <p>TSO has transparently published the charge to market participants.</p> <p>Rules for TSO not filling its obligation have been set in advance, including compensations for market participants for the loss of</p>		

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<p>cost-reflective charge. Any cost-reflective charges for the non-use of capacity shall be justified and proportionate. Likewise, if a TSO does not fulfil its obligation, it shall be liable to compensate the market participant for the loss of capacity rights. No consequential losses shall be taken into account for this purpose. The key concepts and methods for the determination of liabilities that accrue upon failure to honour obligations shall be set out in advance in respect of the financial consequences, and shall be subject to review by the relevant national Regulatory Authority or Authorities.</p>		<p>capacity rights.(Who has set these rules?).</p> <p>These rules have been transparently communicated to the market participants.</p> <p>These rules have been sent to NRA.</p> <p>These rules have been subject to review by NRA.</p> <p>TSO has reported on application of rules, fees and cost recovery to NRA (for monitoring purpose).</p>		
<b>3 Coordination</b>				
<p>3.1 Capacity allocation at an interconnection shall be coordinated and implemented using common allocation procedures by the TSOs involved. In cases where</p>	<p>Co-ordination is required when commercial exchanges between two TSOs have significant (more than 10 %) effect on physical flows in any third TSO network.</p>	<p>TSOs involved have implemented common allocation procedures at interconnectors, description of common allocation procedures exists.</p> <p>TSOs have transparently communicated the common allocation procedures to market participants.</p> <p>TSOs have sent the description of common allocation procedures to their NRAs.</p>		

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<p>commercial exchanges between two countries (TSOs) are expected to significantly affect physical flow conditions in any third country (TSO), congestion management methods shall be coordinated between all the TSOs so affected through a common congestion management procedure. National Regulatory Authorities and TSOs shall ensure that no congestion management procedure with significant effects on physical electric power flows in other networks is devised unilaterally.</p>		<p>NRAs have ensured that no congestion management procedure with significant effects on physical electric power flows in other networks is devised unilaterally (how this is ensured is to be reported in compliance report).</p> <p>TSOs have ensured that no congestion management procedure with significant effects on physical electric power flows in other networks is devised unilaterally (how this is ensured is to be reported in compliance report).</p>		
<p>3.2 A common coordinated congestion management method and procedure for the allocation of capacity to the market at least yearly, monthly and day-ahead shall be applied by not later than 1 January 2007 between countries in the following regions:</p> <p>(a) Northern Europe (i.e. Denmark, Sweden,</p>		<p>A common coordinated congestion management method and procedure for the allocation of capacity to the market exists yearly time frame within the regions mentioned in this paragraph.</p> <p>A common coordinated congestion management method and procedure for the allocation of capacity to the market exists monthly time frame within the regions mentioned in this paragraph.</p> <p>A common coordinated congestion management method and procedure for the allocation of capacity to the market exists day-ahead time frame within the regions mentioned in this paragraph.</p> <p>TSOs have transparently published the procedures for relevant allocation time frames to market participants.</p>	<p>Regional replies</p>	

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>Finland, Germany and Poland),</p> <p>(b) North-West Europe (i.e. Benelux, Germany and France),</p> <p>(c) Italy (i.e. Italy, France, Germany, Austria, Slovenia and Greece),</p> <p>(d) Central Eastern Europe (i.e. Germany, Poland, Czech Republic, Slovakia, Hungary, Austria and Slovenia),</p> <p>(e) South-West Europe (i.e. Spain, Portugal and France),</p> <p>(f) UK, Ireland and France,</p> <p>(g) Baltic states (i.e. Estonia, Latvia and Lithuania).</p> <p>At an interconnection involving countries belonging to more than one region, the congestion management method applied may differ in order to ensure the compatibility with the methods applied in the other regions to which these countries belong. In</p>		<p>TSOs have sent the procedures to relevant NRAs.</p> <p>The congestion management method applied at an interconnection involving countries belonging to more than one region has been defined by TSOs, taking into account that the method may differ in order to ensure the compatibility with the methods applied in the other regions.</p> <p>This congestion management method (CM method applied at interconnection involving countries belonging to more than one region) has been subject to review by relevant RAs (review transparently published).</p> <p>NRAs have ensured that methods and procedures comply with this Article.</p>		

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this case the relevant TSOs shall propose the method which shall be subject to review by the relevant Regulatory Authorities.				
3.3 The regions referred to in 2.8 may allocate all interconnection capacity through day-ahead allocation.	A criteria shall be developed for assessment how liquid are the forward financial electricity markets.	<p>From Article 2.8:</p> <p>If only day-ahead allocation is applied:</p> <p>Relevant authorities have analysed that the markets are well developed.</p> <p>Report on this has been published delivering the criteria and analysis and evaluation based on these criteria.</p>		
3.4 Compatible congestion management procedures shall be defined in all these seven regions with a view to forming a truly integrated Internal European Electricity Market. Market parties shall not be confronted with incompatible regional systems.	<p>Compatibility between regions should be guaranteed. How we ensure this, what are the procedures for this?</p> <p>ERI TF should defined criteria for evaluating compatibility in view of forming a truly integrated IEM.</p>	<p>Compatible congestion management procedures have been defined in all seven regions.</p> <p>NRAs have ensured that congestion management procedures comply with this Article (shall be evaluated by ERI TF).</p>	ERI TF task	
3.5 With a view to promoting fair and efficient competition and cross-border trade, coordination between TSOs within the regions set out in 3.2 above shall include all the steps from	<p>When evaluating the following aspects can be considered:</p> <p>(a) common transmission model, how many snapshots they are using and how often they do the update – ref. capacity calculation principles,</p>	<p>Common regionwide coordinated allocation procedures for the defined region are in place and coordination includes in particular:</p> <ul style="list-style-type: none"> <li>– a common transmission model dealing efficiently with interdependent physical loop flows and having regard to discrepancies between physical and commercial flows,</li> <li>– allocation and nomination of capacity to deal efficiently with interdependent physical loop-flows,</li> </ul>		



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<p>capacity calculation and optimisation of allocation to secure operation of the network, with clear assignments of responsibility. Such coordination shall include, in particular:</p> <p>(a) Use of a common transmission model dealing efficiently with interdependent physical loop-flows and having regard to discrepancies between physical and commercial flows,</p> <p>(b) Allocation and nomination of capacity to deal efficiently with interdependent physical loop-flows,</p> <p>(c) Identical obligations on capacity holders to provide information on their intended use of the capacity, i.e. nomination of capacity (for explicit auctions),</p> <p>(d) Identical timeframes and closing times,</p> <p>(e) Identical structure for the allocation of capacity among different</p>	<p>(b) use of common model should be guaranteed to deal with interdependent physical loop flows,</p> <p>(e) Can we propose on minimum product structures to be identical,</p> <p>(f) How consistency is guaranteed,</p> <p>(g) Should be checked from TSOs and ask them to send some compliance proof (example cases).</p>	<ul style="list-style-type: none"> <li>– identical obligations on capacity holders to provide information on their intended use of capacities, i.e. nomination of capacity (for explicit auction),</li> <li>– identical timeframes and closing times,</li> <li>– identical structure of allocated capacity among different timeframes and in terms of blocks of capacity sold,</li> <li>– consistent contractual framework with market participants,</li> <li>– verification of flows to comply with the network security requirements for operational planning and for real-time operation and</li> <li>– accounting and settlement of congestion management actions.</li> </ul> <p>TSOs have delivered the descriptions to their NRAs.</p> <p>NRAs have ensured that allocation procedure comply with this Article and promotes fair and efficient competition and cross-border trade.</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>timeframes (e.g. 1 day, 3 hours, 1 week, etc.) and in terms of blocks of capacity sold (amount of power in MW, MWh, etc.),</p> <p>(f) Consistent contractual framework with market participants,</p> <p>(g) Verification of flows to comply with the network security requirements for operational planning and for real-time operation,</p> <p>(h) Accounting and settlement of congestion management actions.</p>				
<p>3.6 Coordination shall also include the exchange of information between TSOs. The nature, time and frequency of information exchange shall be compatible with the activities in 3.5. and the functioning of the electricity markets. This information exchange shall in particular enable the TSOs to make the best possible forecast of the global grid situation in</p>		<p>Procedures for regular information exchange between TSOs (e.g. grid topology, planned generation and load flows) have been defined and agreed between TSOs (including monitoring process for information exchange) in order to make best possible forecast of global grid situation and assess transmission capacities.</p> <p>TSOs have delivered the description of procedures to their NRAs.</p> <p>NRAs have ensured that these procedures comply with this Article.</p> <p>Procedures for TSOs collecting information on behalf of other TSOs have given back to the participating TSO the results of the collection of data have been defined (if applied).</p> <p>TSOs have delivered the description of these procedures to their NRAs (if applied).</p> <p>NRAs have ensured that these procedures comply with this Article.</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>order to assess the flows in their network and the available interconnection capacities. Any TSO collecting information on behalf of other TSOs shall give back to the participating TSO the results of the collection of data.</p>				
<b>4 Timetable for market operations</b>				
<p>4.1 The allocation of the available transmission capacity shall take place sufficiently in advance. Prior to each allocation, the involved TSOs shall jointly publish the capacity to be allocated, taking into account where appropriate the capacity released from any firm transmission rights and, where relevant, associated netted nominations, along with any time periods during which the capacity will be reduced or not available (for the purpose of maintenance, for example).</p>	<p>Sufficiently in advance means always P-1 where P = time period (day, hour, year ...).</p>	<p>TSO has described the allocation procedure and publication procedure.</p> <p>TSO has published the allocation and publication procedure to the market participants.</p> <p>Allocation of the available transmission capacity has taken sufficiently (means P-1) in advance.</p> <p>TSOs have jointly published the capacity for each allocation time frame to be allocated on the interconnector taking into account:</p> <ul style="list-style-type: none"> <li>– capacity released from any firm transmission rights (where appropriate),</li> <li>– associated netted nominations (where appropriate),</li> <li>– times for reduced capacity (+reduced capacity) and unavailability of interconnector.</li> </ul> <p>TSO has sent allocation and publication procedure to NRA.</p> <p>NRA has ensured that allocation and publication procedure complies with this Article.</p>		
<p>4.2 Having full regard to network security, the</p>	<p>Sufficiently in advance means always P-1 where P = time period</p>	<p>TSO has described the nomination procedure.</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>nomination of transmission rights shall take place sufficiently in advance, before the day-ahead sessions of all the relevant organised markets and before the publication of the capacity to be allocated under the day-ahead or intra-day allocation mechanism. Nominations of transmission rights in the opposite direction shall be netted in order to make efficient use of the interconnection.</p>	<p>(day, hour, year ...).</p>	<p>TSO has published the nomination procedure to the market participants.</p> <p>Nomination of transmission rights has taken sufficiently (means P-1) in advance both for day-ahead and intra-day markets.</p> <p>Netting in opposite direction is made to guarantee efficient use of the interconnection (valid for explicit auctions).</p> <p>TSO has sent nomination procedure to NRA.</p> <p>NRA has ensured that nomination procedure complies with this Article.</p>		
<p>4.3 Successive intra-day allocations of available transmission capacity for day D shall take place on days D-1 and D, after the issuing of the indicated or actual day-ahead production schedules.</p>	<p>Intra-day allocation: when actually during days D-1 and D, these timeframes should be defined.</p>	<p>TSO has described the allocation procedure for intra-day allocations (including allocation method and time for allocation within days D-1 and D).</p> <p>TSO has communicated transparently the allocation procedure to the market participants.</p> <p>Intra-day allocations have taken place after issuing of the indicated or actual day-ahead production schedules.</p> <p>TSO has sent the allocation procedure to NRA</p> <p>NRA has ensured that the allocation procedure complies with this Article.</p>		
<p>4.4 When preparing day-ahead grid operation, the TSOs shall exchange information with</p>		<p>Neighbouring TSOs have described and agreed on procedures and content of information exchange in order to prepare day-ahead grid operation.</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
neighbouring TSOs, including their forecast grid topology, the availability and forecasted production of generation units, and load flows in order to optimise the use of the overall network through operational measures in compliance with the rules for secure grid operation.		<p>TSOs have in place information exchange platform, where at least following information is exchanged daily (this means that load flow snapshots have been delivered through the information exchange platform):</p> <ul style="list-style-type: none"> <li>– forecast grid topology,</li> <li>– availability and forecasted production of generators and</li> <li>– load flows.</li> </ul> <p>TSOs have sent the description and agreement to their NRAs. NRA has ensured that description complies with this Article.</p>		
<b>5 Transparency</b>				
5.1 TSOs shall publish all relevant data related to network availability, network access and network use, including a report on where and why congestion exists, the methods applied for managing the congestion and the plans for its future management.	Relevant data related to network availability, network access and network use are especially data contained in 5.5 (a) – (h) of CM-GL.	<p>TSO or Regulatory Authority has defined criteria for relevant data related to network availability, network access and network use.</p> <p>If criteria have been defined by TSO, the criteria have been sent to NRA.</p> <p>TSOs have published report on where and why congestion exists. TSO has sent the report to NRA.</p> <p>TSOs have published report on the methods applied for managing the congestion. TSO has sent the report to NRA.</p> <p>TSOs have published the plans for its future management. TSO has sent the report to NRA.</p> <p>NRA has ensured that TSO comply with this Article.</p>		
5.2 TSOs shall publish a general description of the congestion management method applied under	Including transmission reliability margin, see Article 5.2 of the Regulation.	TSOs have published a general description of the congestion management method applied under different circumstances for maximising the capacity available to the market.		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>different circumstances for maximising the capacity available to the market, and a general scheme for the calculation of the interconnection capacity for the different timeframes, based upon the electrical and physical realities of the network. Such a scheme shall be subject to review by the Regulatory Authorities of the Member States concerned.</p>		<p>TSO has sent the description to NRA. NRA has ensured that TSO comply with this Article.</p> <p>TSOs have published a general scheme for the calculation of the interconnection capacity for the different timeframes, based upon the electrical and physical realities of the network.</p> <p>TSO has sent the scheme to NRA.</p> <p>NRA has reviewed the general scheme for the calculation of the interconnection capacity.</p>		
<p>5.3 The congestion management and capacity allocation procedures in use, together with the times and procedures for applying for capacity, a description of the products offered and the obligations and rights of both the TSOs and the party obtaining the capacity, including the liabilities that accrue upon failure to honour obligations, shall be described in detail and made transparently available to all potential</p>		<p>TSOs have described in detail the congestion management and capacity allocation procedures in use, including</p> <ul style="list-style-type: none"> <li>– times and procedures for applying for capacity,</li> <li>– description of the products offered and</li> <li>– obligations and rights of both the TSOs and the party obtaining the capacity, including the liabilities that accrue upon failure to honour obligations.</li> </ul> <p>TSO has made transparently available to all potential market participants the above procedures.</p> <p>TSO has sent the procedures to NRA.</p> <p>NRA has ensured that TSO comply with this Article.</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
network users by TSOs.				
5.4 The operational and planning security standards shall form an integral part of the information that TSOs publish in an open and public document. This document shall also be subject to review of national Regulatory Authorities.		<p>TSO has prepared the operational and planning security standards.</p> <p>TSO has transparently published the operational and planning security standards in an open and public document to market participants.</p> <p>TSO has sent the operational and planning security standards to NRA.</p> <p>The documents of operational and planning security standards have been subject to review by NRAs.</p>		
5.5 TSOs shall publish all relevant data concerning cross-border trade on the basis of the best possible forecast. In order to fulfil this obligation the market participants concerned shall provide the TSOs with the relevant data. The way in which such information is published shall be subject to review by Regulatory Authorities. TSOs shall publish at least:	<p>All relevant data concerning cross-border trade means all data according to points 5.5, S. 4, 5.7 and 5.9 CM-GL.</p> <p>Additionally the following data is relevant for cross-border trade:</p> <ul style="list-style-type: none"> <li>▪ Outages in the transmission grid – ex ante and ex post</li> <li>▪ Congestion income</li> <li>▪ Reasons for any corrective action taken by the TSOs</li> <li>▪ For congested borders with explicit auctions also: <ul style="list-style-type: none"> <li>○ Capacity offered</li> <li>○ Capacity requested</li> </ul> </li> </ul> <p>Concerning the criteria following definition is applied:</p>	<p>Compliance of this Article is ensured if Articles 5.5 (a) to (j), 5.7, 5.8 and 5.9 comply.</p> <p>Moreover, TSO has published the following information:</p> <ul style="list-style-type: none"> <li>– planned outages (including maintenance and other works) in the transmission grid and on interconnections with dates and their impact on available capacity of interconnectors and between bidding areas, if impact &gt; 100 MW, information published per control area/bidding area, Information given: asset concerned, place, type of asset, start and estimated stop dates of the outage, impact on available transmission capacity, reasons. One week before yearly capacity auction (at the latest 5<sup>th</sup> calendar day of the month before the auction, or end of week 51) late, yearly timeframe (per calendar year), updated with changes (h+2 after information is known), available for 2 years,</li> <li>– details on actual outages in the transmission grid and on interconnectors (unplanned) with dates and their impact on available capacity of interconnectors and between bidding area if impact on capacity &gt; 100 MW. Information given: asset concerned, place, type of assets, start and estimated stop date of</li> </ul>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
	<p>“Late” = at the latest at 18:00 h</p>	<p>the outage, impact on transmission capacity, reasons, published immediately (at the latest H+2 after occurrence), timeframe per hour, available for 2 years,</p> <ul style="list-style-type: none"> <li>– capacity reserved ex-ante for balancing markets (if applicable),</li> <li>– explicit auctions: capacity offered by TSO per border between bidding areas / control areas, published sufficiently before the allocation procedure, timeframe per hour, available for 2 years,</li> <li>– explicit auctions: capacity requested by market participants per border between bidding area / control area, published immediately (at the latest H+2) after each capacity allocation session, timeframe per hour, available for 2 years,</li> <li>– congestion income, published at the latest H+2 after each capacity allocation session, timeframe per hour, available for 2 years,</li> <li>– reasons for any corrective action taken by the TSOs during daily operation, information published per control area / bidding area, publication required if effect of TSOs' actions on the capacity &gt; 100 MW, published reasons in more details:D+1 late, timeframe per hour as soon as possible, available for 2 years.</li> </ul> <p>Rules and procedures how market participants provide data for TSO exist.</p> <p>NRAs have reviewed the way in which information under article 5.5 is published.</p> <p>NRA has ensured that TSO comply this Article.</p>		
<p>5.5 (a) annually: information on the long-term evolution of the transmission infrastructure and its impact on cross-border</p>	<p>Long-term: minimum 3 years</p> <p>Concerning the criteria following definition is applied:</p> <p>“Late” = at the latest at 18:00 h</p>	<p>TSO has published report on development in transmission grid, including:</p> <ul style="list-style-type: none"> <li>– list of expansion and dismantling projects per control area/bidding area with the estimated impact on the interconnector capacity for the next minimum 3 years for projects having a relevant effect on transmission capacity (&gt; 100 MW),</li> </ul>		



Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
transmission capacity;		<ul style="list-style-type: none"> <li>– published for every project: asset concerned, place, type of asset, effect on interconnector capacity, project status and estimated time of completion,</li> <li>– published a week before yearly capacity auction (at the latest 5<sup>th</sup> calendar day of month before the auction) late or at the end of week 51,</li> <li>– yearly timeframe, updated with changes (latest end of W+2),</li> <li>– availability for 3 years.</li> </ul> <p>NRA has ensured that TSO comply with this Article.</p>		
5.5 (b) monthly: month- and year-ahead forecasts of the transmission capacity available to the market, taking into account all relevant information available to the TSO at the time of the forecast calculation (e.g. impact of summer and winter seasons on the capacity of lines, maintenance on the grid, availability of production units, etc.);	<p>Concerning the criteria following definition is applied: “Late” = at the latest at 18:00 h</p>	<p>TSO has published, including:</p> <ul style="list-style-type: none"> <li>– year-ahead forecasts of available transmission capacity, taking into account all relevant information available to the TSO at the time of the forecast calculation referring to the next calendar year, a week before monthly transmission capacity auction (at the latest 5<sup>th</sup> calendar day of M-1) late, timeframe per month, available for 2 years,</li> <li>– month-ahead forecasts of available transmission capacity, taking into account all relevant information available to the TSO at the time of the forecast calculation, a week before monthly transmission capacity auction (at the latest 15<sup>th</sup> calendar day of the month before “delivery” month) late, timeframe per week (each week average values on peak/off-peak hours), available for 2 months (from the beginning of 2009).</li> </ul> <p>NRA has ensured that TSO comply with this Article.</p>		
5.5 (c) weekly: week-ahead forecasts of the transmission capacity available to the market, taking into account all	<p>Concerning the criteria following definition is applied: “Early” = minimum of one hour before closing of bidding for daily transmission capacity (explicitly or</p>	<p>TSO has published:</p> <ul style="list-style-type: none"> <li>– week-ahead forecasts of available transmission capacity, taking into account all relevant information available to the TSO at the time of the forecast calculation, Friday W-1 early, timeframe per day, available for 2 months (from the beginning of 2009).</li> </ul>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
relevant information available to the TSOs at the time of calculation of the forecast, such as the weather forecast, planned maintenance works of the grid, availability of production units, etc.;	implicitly), at the latest at 11:00 h.	NRA has ensured that TSO comply with this Article.		
5.5 (d) daily: day-ahead and intra-day transmission capacity available to the market for each market time unit, taking into account all netted day-ahead nominations, day-ahead production schedules, demand forecasts and planned maintenance works of the grid;	Concerning the criteria following definition is applied: “Early” = minimum of one hour before closing of bidding for daily transmission capacity (explicitly or implicitly), at the latest at 11:00 h.	TSO has published, including: <ul style="list-style-type: none"> <li>– day ahead available capacity, taking into account all netted nominations before day-ahead allocation, day-ahead production schedules, demand forecast and planned maintenance works of the grid, D-1 early, timeframe per hour, available for 2 years,</li> <li>– intra-day transmission capacity, taking into account all netted nominations before day-ahead nomination, day-ahead production schedules, demand forecast and planned maintenance works of the grid, at the latest D-1 late, timeframe per hour, available for 2 years.</li> </ul> NRA has ensured that TSO comply with this Article.		
5.5 (e) total capacity already allocated, by market time unit, and all relevant conditions under which this capacity may be used (e.g. auction clearing price, obligations on how to use the capacity, etc.), so as to identify any remaining capacity;	But: all items of information are contained in point 5.5 (f), except “conditions on how to use capacity”. These conditions are contained in point 5.2 CM-GL.	TSO has published: <ul style="list-style-type: none"> <li>– total capacity already allocated by market time unit,</li> <li>– any remaining capacity after any market closing,</li> <li>– conditions under which this capacity may be used; information on e.g. auction clearing price, obligation to use the capacity.</li> </ul> Publication has occurred at the latest P-1 late, timeframe per market unit, available for 2 years. NRA has ensured that TSO comply with this Article		
5.5 (f) allocated capacity		TSO has published:		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
as soon as possible after each allocation, as well as an indication of prices paid;		<p>Congested borders with explicit auctions (if applicable):</p> <ul style="list-style-type: none"> <li>– capacity allocated to market participants per border between bidding areas / control areas, congestion income per border between bidding areas / control areas per hour and per allocation timeframe, published immediately (at the latest H+2 after each capacity allocation session, timeframe per hour (per allocation unit), available for 2 years.</li> </ul> <p>Congested borders with implicit auctions (if applicable):</p> <ul style="list-style-type: none"> <li>– Capacity allocated (i.e. planned commercial flow), price difference, congestion income per border between bidding areas / control areas per hour, published at the latest H+2 after each capacity allocation session, timeframe per hour (per allocation unit), available for 2 years.</li> </ul> <p>NRA has ensured that TSO comply with this Article.</p>		
5.5 (g) total capacity used, by market time unit, immediately after nomination;		<p>TSO has published total capacity nominated after each nominations by market time unit (applicable for explicit auction):</p> <ul style="list-style-type: none"> <li>– publication includes aggregated values of capacity nominated by market players on each interconnection, published at the latest H+2 after nomination, timeframe per hour (per market unit), available for 2 years.</li> </ul> <p>NRA has ensured that TSO comply with this Article.</p>		
5.5 (h) as closely as possible to real time: aggregated realised commercial and physical flows, by market time unit, including a description of the effects of any corrective actions taken by the TSOs (such	<p>Concerning the criteria following definition is applied: “Late” = at the latest at 18:00 h</p>	<p>TSO has published:</p> <ul style="list-style-type: none"> <li>– aggregated realised commercial and physical flows per interconnection, published at the latest H+2, timeframe per hour, available for 2 years,</li> <li>– sum of final scheduled exchanges per control / bidding area i.e. after real time including intra-day changes,</li> <li>– realised physical cross-border flows aggregated per</li> </ul>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
as curtailment) for solving network or system problems;		<p>interconnection.</p> <p>TSO has published description of the effects of any corrective actions taken by TSO, publication required if effect of TSOs' actions on the capacity &gt; 100 MW, published per control area / bidding area, actions and effects immediately (at the latest H+2 after the real time), reasons published in more details:D+1 late, timeframe per hour as soon as possible, available for 2 years, including</p> <ul style="list-style-type: none"> <li>– any corrective action taken by TSOs for solving network and system problems,</li> <li>– effects of these actions on physical power flows,</li> <li>– reasons for any corrective action taken by the TSOs.</li> </ul> <p>NRA has ensured that TSO comply with this Article.</p>		
5.5 (i) ex-ante information on planned outages and ex-post information for the previous day on planned and unplanned outages of generation units larger than 100 MW.	<p>Concerning the criteria following definition is applied:</p> <p>“Late” = at the latest at 18:00 h</p>	<p>Procedures for providing information on generation outages (both ex-ante and ex-post) are in place.</p> <p>TSO has published the following information:</p> <ul style="list-style-type: none"> <li>– ex-ante information on planned outages of generation units &gt; 100 MW per control area / bidding area including information: station name, unit name, installed capacity, location, production type, estimated start and stop dates of the outages, unavailable capacity, remarks. Published one week before yearly capacity auction (at the latest 15<sup>th</sup> calendar day of the month before the ‘delivery’ year or at the end of week 51) late, timeframe per year, updated with changes during the year, available for 2 years,</li> <li>– ex-post information on unplanned unavailability of generation units &gt; 100 MW, including: station name, unit name, installed capacity, location, production type, start and stop dates of the outages, unavailable capacity, remarks per control area / bidding area, published H+2 at the latest D+1 or, available for 2 years.</li> </ul> <p>NRA has ensured that TSO comply with this Article.</p>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>5.6 All relevant information shall be available for the market in due time for the negotiation of all transactions (such as the time of negotiation of annual supply contracts for industrial customers or the time when bids have to be sent into organised markets).</p>	<p>Availability in due time has been evaluated when time frames have been set in other parts of Chapter 5.</p>	<p>Information is available at TSOs and/or PEX websites. Compliance is ensured when Articles 5.5 and 5.7 comply.</p>		
<p>5.7 The TSO shall publish the relevant information on forecast demand and on generation according to the timeframes referred to in 5.5 and 5.6. The TSO shall also publish the relevant information necessary for the cross-border balancing market.</p>	<p>Concerning the criteria following definitions are applied: “Early” = minimum of one hour before closing of bidding for daily transmission capacity (explicitly or implicitly), at the latest at 11:00 h. “Late” = at the latest at 18:00 h “Per balancing mechanism time unit” = time unit relevant for the balancing market in question “Time unit relevant for imbalance settlement” = time unit relevant for the imbalance settlement in question</p>	<p>TSO has published the following information: Load:</p> <ul style="list-style-type: none"> <li>– day-ahead load forecast per control area/bidding area, D-1 early, per hour, available for 2 months,</li> <li>– week ahead load forecast per control area/bidding area, Friday W-1 early, per day average data on peak/off peak, available for 2 months,</li> <li>– month-ahead load forecast per control/bidding area, a week before monthly transmission capacity auction (at the latest 15<sup>th</sup> calendar day of the “delivery month”, late, per week average data on peak/off peak hours, available for 2 months,</li> <li>– year-ahead load forecast per control area/bidding area, a week before yearly capacity auction (at the latest 15<sup>th</sup> calendar day of the month before the “delivery” year) late, per month average data on peak/off-peaks hours, available for 2 years,</li> <li>– year-ahead forecast margin including peak load forecast per control area/bidding area, a week before yearly capacity auction (at the latest 5<sup>th</sup> calendar day of the month before “delivery “ month) late, per year, available for 2 years,</li> </ul>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
		<ul style="list-style-type: none"> <li>– ex-ante information on the scheduled unavailability of significant consumption units &gt; 100 MW per control area / bidding area, including: consumption unit concerned, place, start and estimated stop states of the unavailability, maximum consumption capacity, unavailable power. Published one week before yearly capacity auction (at the latest 15<sup>th</sup> calendar day of the month before the 'delivery' year) late, timeframe per year, updated with changes, available for 2 years.</li> </ul> <p>Generation:</p> <ul style="list-style-type: none"> <li>– installed generation capacity &gt; 100 MW per unit including foreseeable evolution at least for the following three years, list contains: station name (including planned stations), unit name (including planned units), installed capacity, location, production type, forecast of available power for each year, remarks. Information should be published per control area / bidding area. Published one week before yearly capacity auction (at the latest 15<sup>th</sup> calendar day of the month before 'delivery year' of the yearly auction or at the end of week 51) late, timeframe per year, available for min 3 years,</li> <li>– total sum of installed generation larger than 1 MW for each year. Published one week before yearly capacity auction (at the latest 15<sup>th</sup> calendar day of the month before 'delivery year' of the yearly auction or at the end of week 51) late, timeframe per year, available for min 3 years,</li> <li>– ex-ante aggregated information on scheduled generation per control area / bidding area, published D-1 late, timeframe per hour, available for 2 years,</li> <li>– for control / bidding area having &gt; 15 % of hydro generation: filling rate of water reservoirs (ex-ante)/ published third working day of W+1, late, timeframe per week, available for 2 years,</li> <li>– for control area / bidding area &gt; 1 % / 5 %: Forecast of wind and</li> </ul>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
		<p>solar power (intermittent generation), forecast that TSOs themselves use for generation from plants difficult to forecast correctly due to the type of production per control / bidding area, published D-1 late, timeframe per hour, available for 2 years.</p> <p>Balancing:</p> <ul style="list-style-type: none"> <li>- volume of balancing power contracted by TSO via tenders, auctions or bilateral contracts as reserves, separately for each type of balancing energy (e.g. primary, secondary, tertiary reserve) per control area / bidding area. Published at the latest 2 hours before the following procurement procedure. Timeframe per balancing mechanism time unit, available for 2 years,</li> <li>- average and marginal prices of bids / offers: relevant prices for balancing energy / reserve power, depending on pricing mechanism applied, per control area / bidding area. Published depending on the mechanism applied (2 hours before following procurement, H+2 after real time for continuous trade). Timeframe per market time unit relevant for imbalance settlement. Available for 2 years,</li> <li>- imbalance prices per control area / bidding area including a definition of what is published. Published at the latest D+1, timeframe per market time unit relevant for imbalance settlement. Available for 2 years,</li> <li>- control area imbalance volumes and volumes of manually activated reserve used and of automatic reserves used (actual use) distinguishing between volumes of manually activated reserves used and volumes of automatically activated reserves used (e.g. primary, secondary reserves). Published at the latest H+2, timeframe per market time unit relevant for imbalance settlement. Available for 2 years,</li> <li>- financial balance of the market including expenses for balancing energy and power at the balancing market, payments resulting from imbalance pricing, difference between expenses and</li> </ul>		

Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
		<p>income. Information shall be published per control area. Published last calendar day of the month M+3 for month M (late), timeframe per month, updated until final reconciliation in balance unit's economical balance sheet, available for 2 years.</p> <p>NRA has ensured that TSO comply with this Article.</p>		
<p>5.8 When forecasts are published, the ex post realised values for the forecast information shall also be published in the time period following that to which the forecast applies or at the latest on the following day (D+1).</p>	<p>Concerning the criteria following definition is applied: "At the latest H+2" = at the latest at 18:00 h</p>	<p>TSO has published the following information:</p> <ul style="list-style-type: none"> <li>– actual load per control area/bidding area, at the latest H+2, per hour, available for 2 years,</li> <li>– for control / bidding area having &gt; 15 % of hydro generation: filling rate of the water reservoirs, ex-post information in aggregated form, per control / bidding area and per week in terms of percentage of the 100 % filling. A comparison to the value of the year before should also be given. Published 3<sup>rd</sup> working day of W+1 late, timeframe per week, available for 2 years,</li> <li>– for control / bidding areas having 1 % / 5 %: actual generation of wind and solar power (intermittent generation) actual generation difficult to forecast correctly due to the type of production per control / bidding area. Published at the latest H+2, timeframe per hour, available for 2 years,</li> <li>– ex-post information on the unplanned unavailability of significant consumption units &gt; 100 MW, aggregated per control/ bidding area or including consumption unit concerned, place, start and estimated stop dates of unavailability, maximum consumption capacity, unavailable power per control area 7 bidding area. Published at the latest H+2, timeframe per hour, available for 2 years,</li> <li>– ex-post aggregated information on the actual generation per bidding area / control area (all generation should be included asap). Published H+2 or at the latest D+1, timeframe per hour, available for 2 years.</li> </ul> <p>NRA has ensured that TSO comply with this Article.</p>		



Issue	Explanation / Interpretation of requirement	Criteria for compliance	Assessment of compliance	Actions with a timetable to comply
<p>5.9 All information published by the TSOs shall be made freely available in an easily accessible form. All data shall also be accessible through adequate and standardised means of information exchange, to be defined in close cooperation with market parties. The data shall include information on past time periods with a minimum of two years, so that new market entrants may also have access to such data.</p>	<p>This rule has been observed drafting the criteria for compliance regarding chapter 5 of CM-GL.</p>	<p>TSO has made all information freely available (on TSO website or PEX website). History of published information covers at least two years. NRA has ensured that TSO comply with this Article.</p>		
<p>5.10 TSOs shall exchange regularly a set of sufficiently accurate network and load flow data in order to enable load flow calculations for each TSO in their relevant area. The same set of data shall be made available to the Regulatory Authorities and to the European Commission upon request. The Regulatory Authorities and the European Commission shall ensure the</p>	<p>it should be defined what is meant by "regularly". → There should be a minimum time, for example daily.</p>	<p>TSOs exchange network and load flow data regularly. TSOs have communicated to NRAs the procedures to exchange network and load flow data. NRA has ensured that TSO comply with this Article.</p>		

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confidential treatment of this set of data, by themselves and by any consultant carrying out analytical work for them on the basis of these data.				
<b>Use of congestion income</b>				
6.1 Congestion management procedures associated with a pre-specified timeframe may generate revenue only in the event of congestion which arises for that timeframe, except in the case of new interconnectors which benefit from an exemption under Article 7 of the Regulation. The procedure for the distribution of these revenues shall be subject to review by the Regulatory Authorities and shall neither distort the allocation process in favour of any party requesting capacity or energy nor provide a disincentive to reduce congestion.	<p>TSOs shall define first and then propose and submit the criteria for approval (or changes) to the NRAs.</p> <p>As the definition of congestion in EU-Regulation 1228/2003, which is the relevant legal basis refers to the demand of capacity the allocation of capacity according to the exceeding demand is also the relevant point of time to judge whether congestion existed and revenues could have been generated.</p>	<p>TSO have described the procedure for the distribution of congestion management revenues.</p> <p>TSO has sent the procedure to NRA for review.</p> <p>NRA has reviewed these procedures taking into account that these procedures:</p> <ul style="list-style-type: none"> <li>– CM procedure associated with pre-specified timeframe may generate revenue only in the event of congestion (exemptions excluded)</li> <li>– shall not distort the allocation process in favour of any party requesting capacity or energy</li> <li>– shall not provide a disincentive to reduce congestion.</li> </ul>		

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6.2 National Regulatory Authorities shall be transparent regarding the use of revenues resulting from the allocation of interconnection capacity.	<p>Within this ERGEG compliance report, each NRA shall have a section with explanation what portion of income is used how and why has it been decided so. In that sense, the proposed “voluntary” prioritization shall also be considered, even if not complying with it will not mean non-compliance.</p>	<p>NRAs have collected information from their TSOs about the use of revenues resulting from the allocation of interconnection capacity.</p> <p>NRA has published annual values within EGEG compliance report, indicating the total amount and portions for each of the three purposes (ensuring capacity, new lines, tariffs reduction).</p>		
6.3 The congestion income shall be shared among the TSOs involved according to criteria agreed between the TSOs involved and reviewed by the respective Regulatory Authorities.	<p>Review procedure for the criteria has to be reviewed and accepted among RAs once a year. This is ERGEG work.</p> <p>NRAs and ERGEG have approved the key for sharing the income, and the income split corresponds to that approved key.</p> <p>Explicit auction: key will be 50/50 for TSOs.</p> <p>Implicit auction. key may be somewhat different depending on interference between congested borders.</p>	<p>TSOs have described on criteria how to share congestion income among involved TSOs.</p> <p>TSOs have agreed on criteria how to share congestion income among involved TSOs.</p> <p>TSO has sent the criteria and agreement to NRA.</p> <p>NRAs have reviewed the criteria.</p> <p>NRA has ensured that the income is split corresponding the approved criteria.</p>		
6.4 TSOs shall clearly establish beforehand the use they will make of any congestion income they may obtain and report on the actual use of this income. Regulatory Authorities shall verify	<p>TSOs make proposal so that it can be approved by the NRAs. Beforehand means here at least annually, one year before.</p> <p>Published at the each TSOs website within the area for capacity allocation → a goal is to have it centrally on ETSOVista.</p>	<p>TSOs have established beforehand the use they will make of any congestion income.</p> <p>TSO has sent this information to NRA.</p> <p>TSO has reported on the actual use of this income to NRA.</p> <p>NRA has verified that the use of congestion income complies with the present Regulation and Guidelines and that the total amount of</p>		

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<p>that this use complies with the present Regulation and Guidelines and that the total amount of congestion income resulting from the allocation of interconnection capacity is devoted to one or more of the three purposes described in Article 6(6) of Regulation.</p>	<p>RAs verify the compliance as in 6.2 and then there is a chapter on usage in the ERGEG compliance report also as indicated above.</p>	<p>congestion income resulting from the allocation of interconnection capacity is devoted to one or more of the three purposes described in Article 6(6) of Regulation.</p>		
<p>6.5 On an annual basis, and by 31 July each year, the Regulatory Authorities shall publish a report setting out the amount of revenue collected for the 12-month period up to 30 June of the same year and the use made of the revenues in question, together with verification that this use complies with the present Regulation and Guidelines and that the total amount of congestion income is devoted to one or more of the three prescribed purposes.</p>	<p>RAs publish report (within the “Benchmarking report” in 2006). Since 2007 compliance report (published 2008) a table with this information shall be included in the compliance report. Monitoring of the left-overs (backlog, e.g. for investment) shall be ensued by the NRAs).</p>	<p>NRAs have published by 31 July a report about the revenue collected for 12-month period up to 30 June of the same year, including</p> <ul style="list-style-type: none"> <li>– amount of revenues,</li> <li>– use made of revenues,</li> <li>– verification of compliance with Regulation and Guidelines,</li> <li>– total amount of congestion income is devoted to one or more of the three prescribed purposes.</li> </ul> <p>ERGEG has reported the revenue usage in the compliance report.</p>		

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<p>6.6 The use of congestion income for investment to maintain or increase interconnection capacity shall preferably be assigned to specific predefined projects which contribute to relieving the existing associated congestion and which may also be implemented within a reasonable time, particularly as regards the authorisation process.</p>	<p>NRAs and ERGEG should monitor this based on the national plans of the TSOs and in the future on the EU Grid Master Plan, DG TREN PIP and within the scope of the findings of the Benchmarking report.</p>	<p>TSO has described the use of congestion income.            TSO has sent the description to NRA.            TSO has published the use divided in three categories defined in Article 6 of the Regulation.            TSO has sent this information to NRA.            NRAs has ensured that TSO comply with this Article.</p>		